



## Majestic Research Services and Solutions Limited

Our Company was originally incorporated as "Majestic Research Services and Solutions Private Limited" at Bangalore, Karnataka, as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated May 2, 2012 bearing registration number 063818 issued by Registrar of Companies, Karnataka, Bangalore. Subsequently, our Company was converted into a public limited company pursuant to Special Resolution passed by the Company at its Extra Ordinary General Meeting held on July 10, 2014 and fresh certificate of incorporation dated August 11, 2014 and the name of our Company was changed to "Majestic Research Services and Solutions Limited". Our Company came out with Initial Public Offer in the year 2015 and got listed to SME Platform of BSE Ltd. on July 16, 2015. The Corporate identity number of our Company is L72200KA2012PLC063818. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page 58 and 150 of this Red Herring Prospectus.

**Registered Office:** 2nd, Floor, Kalpak Arcade, Number 46/17, Church Street, Bengaluru- 560 001, Karnataka

**Corporate Office:** Office No. 601 & 701, Trellis, Plot No. 202/203, LBS Marg, Near Asha Petrol Pump, Kurla (West), Mumbai - 400070, Tel: +91 022 26502751\52

**Tel. No.:** +91 80 41757500; **Fax No.:** +91 80 41757500; **Email:** info@mrssindia.com; **Website:** www.mrssindia.com

**Corporate Identification Number:** L72200KA2012PLC063818

**Contact Person:** Sonali Gamne, Company Secretary and Compliance Officer

**Promoters of our Company:** Majestic Market Research Support Services Limited, Rajendra Kumar Sharma and Sarang Jayant Panchal

### THE ISSUE

**FURTHER PUBLIC ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE, (THE "ISSUE PRICE") INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE AGGREGATING UP TO RS. [●] LAKHS (THE "ISSUE") BY OUR COMPANY, CONSISTING OF A FURTHER ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO RS. 1000.00 \* LAKHS (THE "FURTHER ISSUE"), THE ISSUE COMPRISES A NET ISSUE TO THE PUBLIC OF [●] EQUITY SHARES (THE "NET ISSUE") AND A RESERVATION OF [●] EQUITY SHARES AGGREGATING UP TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] AND [●], RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY**

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND TO RETAIL INDIVIDUAL INVESTORS AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER BUSINESS STANDARD. ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER BUSINESS STANDARD AND BENGALURU EDITIONS OF THE KANNADA NEWSPAPER KANNADA PRABHA (KANNADA BEING THE REGIONAL LANGUAGE OF KARNATAKA WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST 1 (ONE) WORKING DAY PRIOR TO THE BID/ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND CAP PRICE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE LIMITED (REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES

In case of any revisions in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLM and the terminals of the Syndicate Members (defined herein below).

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs"). For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 286 of this Red Herring Prospectus. A copy will be delivered for registration to the Registrar of Companies, Bengaluru, Karnataka, as required under Section 26(4) of the Companies Act, 2013.

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME ("SEBI ICDR REGULATIONS"). For further details please refer the section titled "Issue Information" beginning on page 277 of this Red Herring Prospectus.

### 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 offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 19 of this Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring 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 of our Company are already listed on SME Platform of BSE Limited ("BSE"). The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE"). In terms of Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI (ICDR) Regulations, 2009"). Our Company has received an approval letter dated **October 20, 2016** from BSE for using its name in this offer document for further listing of our shares on the SME Platform of BSE. For the purpose of this further Issue, BSE will be the Designated Stock Exchange. A copy of the Red Herring Prospectus has been delivered for registration to the Registrar of Companies.

### BOOK RUNNING LEAD MANAGER TO THE ISSUE

**PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**  
406-408, Keshva Premises, Behind Family Court,  
Bandra Kurla Complex,  
Bandra East, Mumbai - 400051, Maharashtra, India.  
**Tel:** +91-22 6194 6725  
**Fax:** +91-22 2659 8690  
**Website:** www.pantomathgroup.com  
**Email:** ipo@pantomathgroup.com  
**Investor Grievance Id:** ipo@pantomathgroup.com  
**Contact Person:** Saahil Kinkhabwala  
**SEBI Registration No:** INM000012110



### REGISTRAR TO THE ISSUE

**BIGSHARE SERVICES PRIVATE LIMITED**  
E/2, Ansa Industrial Estate, Saki Vihar Road  
Saki Naka, Andheri (East)  
Mumbai - 400 072  
**Tel:** +91 22 4043 0200  
**Fax:** +91 22 2847 5207  
**Email:** ipo@bigshareonline.com  
**Website:** www.bigshareonline.com  
**Investor Grievance Id:** investor@bigshareonline.com  
**Contact Person:** Babu Raphael  
**SEBI Registration Number:** INR000001385



### BID/ISSUE PROGRAMME

**BID/ISSUE OPENS ON: MONDAY, NOVEMBER 28, 2016**

**BID/ISSUE CLOSURES ON: MONDAY, DECEMBER 05, 2016**

\* Subject to finalisation of Basis of Allotment.



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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (“U.S. Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. Persons” (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

#### Conventional/ General Terms

| Term   | Description  |
|--|--|
| Articles or Articles of Association or AOA   | The Articles of Association of our Company, as amended from time to time   |
| Auditor or Statutory Auditor   | The Statutory Auditor of our Company, being M/s. R.T Jain & Co., Chartered Accountants   |
| Audit Committee  | The committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013   |
| Bankers to our Company   | ICICI Bank, Axis Bank & HDFC Bank  |
| “Board” or “Board of Directors” or “our Board”   | The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof  |
| Company Secretary and Compliance Officer   | The Company Secretary and Compliance Officer of our Company being Sonali Gamne.  |
| Corporate Office   | Office No. 601 & 701, Trellis, Plot No. 202/203, LBS Marg, Near Asha Petrol Pump, Kurla (West), Mumbai – 400070.   |
| Depositories Act   | The Depositories Act, 1996, as amended   |
| Depository / Depositories  | A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, in this case being National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) |
| DIN  | Directors Identification Number  |
| Director(s)  | The Director(s) of our Company, unless otherwise specified   |
| Equity Shares  | Equity Shares of our Company of face value of Rs. 10/- each fully paid up.   |
| Equity Shareholders  | Persons / Entities holding Equity Shares of our Company  |
| General Information Document (GID)   | The General Information Document for investing in Public Issues prepared and issued in accordance with SEBI circular CIR/CFD/DIL/12/2013 dated October 23, 2013  |
| Group Companies  | Such Companies as are included in the chapter titled “ <i>Our Group Companies</i> ” beginning on page 181 of this Red Herring Prospectus.  |
| ISIN   | International Securities Identification Number. In this case being INE196R01012  |
| “Majestic Research Services and Solutions Limited”, “the Company” or “our Company” or “we”, “us”, “our”, or “MRSS India” “MRSS” or “Issuer” and the “Issuer Company” | Majestic Research Services and Solutions Limited, a public limited company incorporated under the provisions of the Companies Act, 1956  |
| Memorandum of Association or Memorandum or MOA   | The Memorandum of Association of our Company, as amended from time to time   |



| Term                                       | Description   |
|--|---|
| Non Resident                               | A person resident outside India, as defined under FEMA Regulations, 2000  |
| NRI/ Non-Resident Indian                   | A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, each such term as defined under the FEMA (Deposit) Regulations, 2000, as amended.  |
| Nomination and Remuneration Committee      | The Nomination and Remuneration Committee constituted / re-constituted by our Board of Directors.   |
| Peer Reviewed Auditor                      | Independent Auditor having a valid Peer Reviewed Certificate in our case being M/s. R.T. Jain & Co.   |
| Person or Persons                          | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| “Promoter”, “Promoters” or “our Promoters” | Promoters of our Company being Rajendra Kumar Sharma , Sarang Jayant Panchal and Majestic Market Research Support Services Limited  |
| Promoter Group                             | Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations and as disclosed in the chapter titled “ <i>Our Promoters and Promoter Group</i> ” on page 174 of this Red Herring Prospectus   |
| Registered Office                          | The Registered Office of our Company is situated at 2nd, Floor, Kalpak Arcade, Number 46/17, Church Street, Bangaluru – 560 001, Karnataka India  |
| Regional Office                            | The Regional Office of our Company is situated at C-19, D.D.A Sheds, Okhala Phase-1 New Delhi – 110020  |
| RoC / Registrar of Companies               | The Registrar of Companies, Bangalore located at ‘E’ Wing, 2nd Floor, Kendriya Sadana, Koramangala, Bangalore 560 034 Karnataka, India  |
| SEBI                                       | Securities and Exchange Board of India constituted under the SEBI Act, 1992   |
| SEBI (ICDR) Regulations, 2009              | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, including instructions and clarifications issued by SEBI from time to time   |
| SEBI Takeover Regulations                  | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011.  |
| SEBI Insider Trading Regulation            | The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time.  |
| Sub-Account                                | Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals   |
| Shareholders                               | Persons holding Shares of our Company   |
| Stakeholder’s Relationship Committee       | The Stakeholder’s Relationship Committee constituted / re-constituted by our Board of Directors   |



## Issue Related Terms

| Term  | Description   |
|---|---|
| Acknowledgement Slip                            | The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.   |
| Allotment/ Allot/ Allotted                      | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Further Public Issue to the successful Bidders  |
| Allottee(s)                                     | Successful Bidders(s) to whom Equity Shares have been allotted/transferred.   |
| Allotment Advice                                | Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.   |
| ASBA / Application Supported by Blocked Amount  | An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account  |
| ASBA Account                                    | An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form   |
| ASBA form                                       | An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus.   |
| ASBA Application Location(s) / Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda.   |
| Banker(s) to the Issue                          | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited   |
| Basis of Allotment                              | The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled “ <i>Issue Procedure</i> ” beginning on page 286 of this Red Herring Prospectus.  |
| Bid   | An indication to make an Issue during the Bid/ Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form   |
| Bid Amount                                      | The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form blocked in the ASBA Account upon submission of the Bid in the Issue  |
| Bid cum Application form                        | The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus   |
| Bid Cum Application Collecting Intermediaries   | <ol style="list-style-type: none"><li>1. a SCSB with whom the bank account to be blocked, is maintained</li><li>2. a syndicate member (or sub-syndicate member) If any</li><li>3. 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’) if any</li><li>4. a depository participant (‘DP’) (whose name is mentioned on the</li></ol> |





| Term                                   | Description   |
|--|---|
|  | website of the stock exchange as eligible for this activity)<br>5. 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)  |
| Bid Lot                                | [●] Equity shares and in multiples of [●] Equity Shares thereafter  |
| Bid/ Issue Closing Date                | The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all India edition of the English national newspaper Business Standard, all India edition of the Hindi national newspaper Business Standard, and Bengaluru edition of the Kannada newspaper Kannada Prabha, each with wide circulation and in case of any revision, the extended Bid/ Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations |
| Bid/ Issue Opening Date                | The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all India edition of the English national newspaper Business Standard, all India edition of the Hindi national newspaper Business Standard, and Bengaluru edition of the Kannada newspaper Kannda Prabha, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.    |
| Bid/ Issue Period                      | The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.  |
| Bidder                                 | Any prospective Resident Indian investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied  |
| Bidding/collecting Centre              | Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e, Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs  |
| Book Building Process                  | Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made   |
| Book Running Lead Managers or BRLMSs   | The book running lead managers to the Issue namely Pantomath capital Advisors Private Limited   |
| Broker Centres                         | Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of BSE India Limited.   |
| CAN or Confirmation of Allocation Note | The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.  |
| Cap Price                              | The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted  |
| Client ID                              | Client Identification Number maintained with one of the Depositories in relation to demat account.  |
| Cut-off Price                          | Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non   |



| Term                                     | Description  |
|--|--|
|  | Institutional Bidders are not entitled to Bid at the Cut-off Price.  |
| 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 Branch/Designated Branch     | Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time   |
| Demographic Details                      | The demographic details of the Bidders/Applicants such as their address, PAN, occupation and bank account details  |
| Depositories                             | Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL  |
| Depository Participant                   | A Depository Participant as defined under the Depositories Act, 1996   |
| Designated Date                          | The date on which funds blocked by SCSB are transferred from the ASBA account to the Public Issue Account after filing of prospectus with RoC.   |
| Designated Intermediary (ies)            | Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the issue.  |
| Designated RTA Locations                 | Such centres of the RTAs where Bidder can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time   |
| Designated Stock Exchange                | SME Platform of BSE Limited  |
| Designated CDP Locations                 | Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time |
| Draft Red Herring Prospectus or DRHP     | The Draft Red Herring Prospectus dated September 1, 2016 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the no. of shares which will be allotted.   |
| First/sole Bidder                        | Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names   |
| Floor Price                              | The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted   |
| Further Public Issue/Issue               | The Further Public Issue of up to [●] Equity Shares for cash at a price of Rs.[●] aggregating up to Rs. 1000.00 lakhs by our Company.  |
| FII/ Foreign Institutional Investors     | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with   |





| Term                             | Description   |
|----------------------------------|---|
|                                  | SEBI under applicable laws in India.  |
| General Information Document/GID | 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 and included in “Issue Procedure” on page 286  |
| Issue Agreement                  | The agreement dated September 27, 2016 between our Company, and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue   |
| Issue Price                      | The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus   |
| Issue Proceeds                   | The proceeds of the Issue that is available to our Company. For further information about use of Issue Proceeds, see “Objects of the Issue” on page 95  |
| Listing Agreement`               | The Equity Listing Agreement to be signed between our Company and the SME Platform of BSE Limited.  |
| Market Making Agreement          | Market Making Agreement dated October 19, 2016 between our Company, Book Running Lead Manager and Market Maker.   |
| Market Maker                     | Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time   |
| Market Maker Reservation Portion | The Reserved Portion of [●] Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] for the Market Maker in this Issue.  |
| Mutual Fund(s)                   | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time  |
| NIF                              | National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India  |
| Net Issue                        | The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] by our Company   |
| Net Proceeds                     | Proceeds of the Further Public Issue less Issue expenses. For further information about use of the Issue Proceeds and the Issue expenses, see “Objects of the Issue” on page 95   |
| Non Institutional Bidders        | All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000 but not including NRIs other than Eligible NRIs   |
| Non-Resident                     | A person resident outside India, as defined under FEMA and includes FIIs and FPIs   |
| 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 as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue |



| Term  | Description  |
|---|--|
| Other Investors   | Investors other than Retail Individual Investors. These include individual bidders/applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.  |
| Person/ Persons   | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires   |
| Price Band  | <p>Price band of a minimum price of Rs.[●] per Equity Share (Floor Price) and the maximum price of Rs.[●] per Equity Share (Cap Price) including revisions thereof.</p> <p>The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least one Working Days prior to the Bid/ Issue Opening Date, in all India edition of the English national newspaper Business Standard, all India edition of the Hindi national newspaper Business Standard and Bengaluru edition of the Kannada newspaper Kannada Prabha, each with wide circulation</p> |
| Pricing date  | The date on which our Company in consultation with the BRLM, will finalise the Issue Price   |
| Prospectus  | The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information  |
| Public Issue Account  | Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.   |
| Public Issue Account Agreement/ Banker to the Issue Agreement | Agreement entered on October 14, 2016 amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Bid Amount on the terms and conditions thereof.   |
| Qualified Institutional Buyers or QIBs                        | Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.  |
| Red Herring Prospectus or RHP                                 | <p>The Red Herring Prospectus dated November 16, 2016 to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the number of and price at which the Equity Shares will be offered and allotted, including any addenda or corrigenda thereto.</p> <p>The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date</p>  |
| Refund Account(s)   | The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.  |
| Refund Bank(s) / Refund Banker(s)                             | Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited  |
| Refund through electronic                                     | Refunds through NECS, direct credit, RTGS or NEFT, as applicable   |



| Term  | Description  |
|---|--|
| transfer of funds   |  |
| Registered Broker   | Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of BSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.bseindia.com/membership/dynaContent/find_a_broker.htm">http://www.bseindia.com/membership/dynaContent/find_a_broker.htm</a>  |
| Registrar /Registrar to the Issue                                       | Registrar to the Issue, in this case being Bigshare Services Private Limited having registered office at E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri East, Mumbai- 400 072, India   |
| Registrar and Share Transfer Agents or RTAs                             | Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI   |
| Resident Indian   | A person resident in India, as defined under FEMA  |
| Retail Individual Bidder(s)/Retail Individual Investor(s)/RII(s)/RIB(s) | Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i> ), who apply for an amount less than or equal to Rs 2,00,000   |
| Revision Form   | Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)   |
| Reservation Portion   | The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009   |
| Reserved Category / Categories  | Categories of persons eligible for making Bids under reservation portion.  |
| SCSB/ Self Certified Syndicate Banker                                   | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries</a> or at such other website as may be prescribed by SEBI from time to time |
| SEBI Listing Regulations  | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.  |
| SEBI (Foreign Portfolio Investor) Regulations                           | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.  |
| Specified Locations   | Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time  |
| Sub-Syndicate members   | The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect Bid cum Application Forms and Revision Forms.   |
| Syndicate Agreement   | Agreement dated October 13, 2016 entered into amongst the BRLM, the Syndicate Members viz. Choice Equity Broking Private Limited and   |



| Term                                  | Description   |
|---------------------------------------|---|
|                                       | Nirmal Bang Securities Private Limited our Company in relation to the procurement of Bid cum Application Forms by Syndicate   |
| Syndicate Members                     | Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Choice Equity Broking Private Limited and Nirmal Bang Securities Private Limited   |
| Syndicate or Members of the Syndicate | The BRLM and the Syndicate Members  |
| TRS or Transaction Registration Slip  | The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid   |
| Underwriter                           | Pantomath Capital Advisors Private Limited  |
| Underwriting Agreement                | The agreement dated September 27, 2016 entered into between the Underwriter and our Company   |
| 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 the time period between (a) announcement of Price Band; and (b) Bid/Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays |

#### Technical and Industry Related Terms

| Term                       | Description  |
|----------------------------|--|
| million / ‘Million’ / ‘Mn’ | Million  |
| Bn.                        | Billion  |
| ESOMAR                     | The European Society for Opinion and Market Research |
| ASSOCHAM                   | European Union                                       |
| MRA                        | Market Research Association                          |
| CATI                       | Computer Assisted Telephone Interviewing             |
| R&D                        | Research & Development                               |
| KPO                        | Knowledge Process Outsourcing                        |
| CAGR                       | Compounded Annual Growth Rate                        |
| OECD                       | Organization for Economic and Co-operation Limited   |
| FMCG                       | Fast Moving Capital Goods                            |
| IBEF                       | Indian Brand Equity Foundation                       |
| UK                         | United Kingdom                                       |
| SPSS                       | Statistical Product and Service Solution             |
| SAS                        | Statistical Analysis System                          |

#### Conventional and General Terms / Abbreviations

| Term | Description   |
|------|---|
| A/C  | Account   |
| AGM  | Annual General Meeting  |
| AIF  | Alternative Investments Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative |



| Term                    | Description  |
|-------------------------|--|
|                         | Investments Funds) Regulations, 2012   |
| AS/ Accounting Standard | Accounting Standards as issued by the Institute of Chartered Accountants of India  |
| A.Y.                    | Assessment Year  |
| AoA                     | Articles of Association  |
| ASBA                    | Application Supported by Blocked Amount  |
| BIFR                    | Board for Industrial and Financial Reconstruction  |
| BRLM                    | Book running Lead manager  |
| CAGR                    | Compounded Annual Growth Rate  |
| CDSL                    | Central Depository Services (India) Limited  |
| CENVAT                  | Central Value Added Tax  |
| CC                      | Cash Credit  |
| CFO                     | Chief Financial Officer  |
| CS                      | Company Secretary  |
| CMD                     | Chairman and Managing Director   |
| CIN                     | Corporate Identification Number  |
| Companies Act, 1956     | Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.  |
| Companies Act, 2013     | The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections  |
| Depositories            | NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time |
| Depositories Act        | The Depositories Act, 1996, as amended from time to time.  |
| DGFT                    | Directorate General of Foreign Trade   |
| DIN                     | Director Identification Number   |
| DIPP                    | Department of Industrial Policy & Promotion  |
| DP                      | Depository Participant   |
| DP ID                   | Depository Participant's Identity  |
| EBIDTA                  | Earnings before interest, depreciation, tax, amortization and extraordinary items  |
| ECS                     | Electronic Clearing Services   |
| EGM                     | Extraordinary General Meeting  |
| ESIC                    | Employee State Insurance Corporation   |
| ESOP                    | Employee Stock Option Plan   |
| ESPS                    | Employee Stock Purchase Scheme   |
| EPS                     | Earnings Per Share   |
| FDI                     | Foreign Direct Investment  |
| FCNR Account            | Foreign Currency Non Resident Account  |
| FEMA                    | Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under  |
| FII(s)                  | Foreign Institutional Investors, as defined under the FII Regulations and  |



| Term  | Description   |
|---|---|
|   | registered with the SEBI under applicable laws in India.  |
| FII Regulations   | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.   |
| FIs   | Financial Institutions  |
| FIPB  | The Foreign Investment Promotion Board, Ministry of Finance, Government of India  |
| FPI(s)  | Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992 |
| FVCI  | Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000   |
| FV  | Face Value  |
| F.Y./FY   | Financial Year  |
| GAAP  | Generally Accepted Accounting Principles  |
| GDP   | Gross Domestic Product  |
| GIR Number  | General Index Registry number   |
| GoI/ Government   | Government of India   |
| HNI   | High Networth Individual  |
| HUF   | Hindu Undivided Family  |
| ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time  |
| Indian GAAP   | Generally Accepted Accounting Principles in India   |
| ICAI  | Institute of Chartered Accountants of India   |
| IFRS  | International Financial Reporting Standards   |
| FPO   | Further Public Offering   |
| IRDA  | Insurance Regulatory and Development Authority  |
| IT Rules  | The Income Tax Rules, 1962, as amended from time to time  |
| INR   | Indian National Rupee   |
| Key Managerial Personnel/KMP                                | The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 158 of this Red Herring Prospectus.  |
| Ltd.  | Limited   |
| Mtr   | Meter   |
| Mn  | Million   |
| MoA   | Memorandum of Association   |
| MoU   | Memorandum of Understanding   |
| MICR  | Magnetic Ink Character Recognition  |
| N/A or N.A.   | Not Applicable  |
| NAV   | Net Asset Value   |
| NBFC  | Non Banking Finance Company   |
| NECS  | National Electronic Clearing Services   |





| Term   | Description   |
|--|---|
| NEFT   | National Electronic Fund Transfer   |
| Net Worth  | The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account |
| NOC  | No Objection Certificate  |
| NR   | Non Resident  |
| NRE Account  | Non Resident External Account   |
| NRI  | Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time                 |
| NRO Account  | Non Resident Ordinary Account   |
| NSDL   | National Securities Depository Limited  |
| NI Act   | Negotiable Instruments Act, 1881  |
| p.a.   | per annum   |
| PAN  | Permanent Account Number  |
| PAT  | Profit After Tax  |
| Pvt.   | Private   |
| PBT  | Profit Before Tax   |
| P/E Ratio  | Price Earnings Ratio  |
| RBI  | Reserve Bank of India   |
| RBI Act  | The Reserve Bank of India Act, 1934, as amended from time to time   |
| RoNW   | Return on Net Worth   |
| Rs. / INR  | Indian Rupees   |
| RTGS   | Real Time Gross Settlement  |
| SCRA   | Securities Contracts (Regulation) Act, 1956 as amended from time to time  |
| SCRR   | Securities Contracts (Regulation) Rules, 1957   |
| SCSB   | Self Certified Syndicate Bank   |
| SEBI   | Securities and Exchange Board of India  |
| SEBI Act   | Securities and Exchange Board of India Act, 2015, as amended from time to time  |
| SEBI Insider Trading Regulations                                       | The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time   |
| SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR) Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015  |
| SEBI Takeover Regulations / Takeover Regulations / Takeover Code       | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011  |
| SICA   | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time  |



| Term                         | Description  |
|------------------------------|--|
| Sub-Account                  | Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.           |
| SME                          | Small Medium Enterprise  |
| SSI Undertaking              | Small Scale Industrial Undertaking   |
| Stock Exchange(s)            | BSE SME  |
| Sq. mtr                      | Square Meter   |
| STT                          | Securities Transaction Tax   |
| TAN                          | Tax Deduction Account Number   |
| TRS                          | Transaction Registration Slip  |
| TIN                          | Taxpayers Identification Number  |
| u/s                          | Under Section  |
| UIN                          | Unique Identification Number   |
| US/ U.S./ USA/ United States | United States of America   |
| U.S. GAAP                    | Generally accepted accounting principles in the United States of America   |
| UOI                          | Union of India   |
| VAT                          | Value Added Tax  |
| 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. |
| WDV                          | Written Down Value   |
| WTD                          | Whole-time Director  |
| w.e.f.                       | With effect from   |
| YoY                          | Year over year   |

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 336 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled “*Financial Statements*” beginning on page 184 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter;
- iii. In the section titled “*Risk Factors*” beginning on page 19 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 106 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 241 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.



## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to “India” are to the Republic of India and all references to the “Government” are to the Government of India.

### FINANCIAL DATA

Unless stated otherwise, the financial data included in this Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 184 this Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1 of each year and ends on March 31 of the next year. All references to a particular fiscal year are to the 12 month period ended March 31 of that year. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the restated standalone financial statements and restated consolidated financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated the restated standalone financial statements and restated consolidated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 184 of this Red Herring Prospectus.

### CURRENCY OF PRESENTATION

In this Red Herring Prospectus, references to “Rupees” or “Rs.” or “INR” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

### INDUSTRY AND MARKET DATA

Unless stated otherwise, Industry and Market data and various forecasts used throughout this Red Herring Prospectus have been obtained from publically available information, Industry Sources and Government Publications.



Industry Sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although we believe that industry data used in this Red Herring Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "*Risk Factors*" on page 19 of this Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

Further, the extent to which the industry and market data presented in this Red Herring 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 STATEMENT

This Red Herring Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:-

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in the Industry which we operate;
- Factors affecting the Industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 19 and 241 respectively of this Red Herring Prospectus. 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.

Future looking statements speak only as of the date of this Red Herring Prospectus. Neither we, our Directors, Book Running Lead Manager, Underwriters nor any of their respective 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, the BRLM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.



## SECTION II – RISK FACTORS

### RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 129, “Our Industry” beginning on page 109 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 241 of this Red Herring Prospectus as well as other financial information contained herein.*

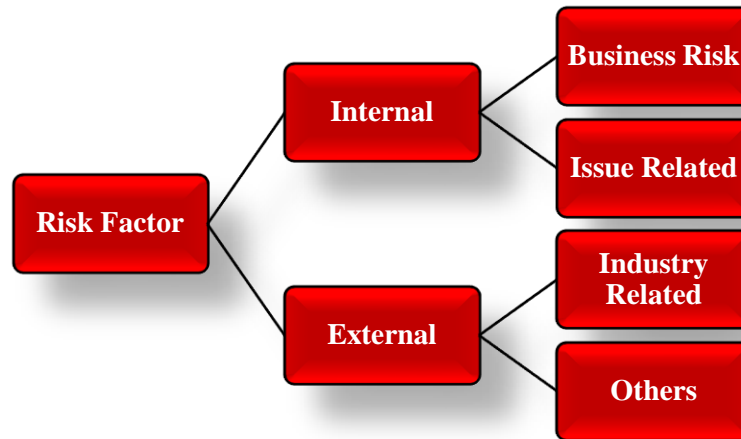
*The following factors have been considered for determining the materiality of Risk Factors:*

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

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 3 of this Red Herring Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

*The risk factors are classified as under for the sake of better clarity and increased understanding:*





## INTERNAL RISK FACTORS

### A. BUSINESS RISKS/ COMPANY SPECIFIC RISK:

- 1. Our Company's failure to maintain the standards of the services or keep pace with the technological developments could adversely impact our business, results of operations and financial condition.*

Our services depend on customer's expectations and choice or demand of the clients as we develop services as per particular customer's specifications. Any failure to interpret the client specification or to meet client expectation may affect our business. Any negative publicity regarding our Company, or services, including those arising from any deterioration in quality of our services, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations. Also, rapid change in our customers' expectation on account of changes in technology or introduction of new services or for any other reason and failure on our part to meet their expectation could adversely affect our business, result of operations and financial condition. While, we believe that we have always expanded our capacities and/or introduced new services based on latest technology to cater to the growing demand of our customers and also endeavour regularly update our existing technology and acquire or develop new technologies on a continuous basis, our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business and financial results.

- 2. Advancement in technology may render our current technologies, facilities and methodologies obsolete or require us to make substantial capital investments towards the same. Our Company may be affected by the ever changing technology.*

Our Company is involved in providing market analysis reports by undertaking market research in various sectors. We utilize various technologies like eye tracking devices, perception analyser, market research software and the like for undertaking various research activities to analyse the market outreach and provide market analysis reports to our clients. Modernization and technology up-gradation is essential to provide better services. The industry in which we operate is subject to significant technological advances, with the constant introduction of new and enhanced services and significant price competition. Our ability to adopt new technology to respond to new and enhanced services poses a challenge in our business. Although we strive to keep our technology and facilities with the latest standards, the technologies and facilities which are currently employ in our business may become obsolete and we may not have the adequate resources to make capital investments. We cannot assure that we will be able to successfully make timely and cost-effective enhancements and



additions to our technological infrastructure, keep up with technological improvements in order to meet our customers' needs or that the technology developed by others will not render our services less competitive. Further, our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of services we sell and provide. The costs of implementing new technologies or upgrading our existing technology could be significant which could adversely affect our business, results of operation and thereby affecting our cash flows and financials.

**3. Our Promoter Company is involved in one tax related proceeding. Any adverse rulings in said proceeding against our Promoter may have an adverse material impact on our business operations.**

Notice have been issued to our Promoter Company under Income Tax Act, 1961 which is pending with Income Tax Department; any adverse decision in such proceeding may adversely affect our business operations. Though, presently our Company is not involved in legal proceedings, however, we cannot assure you that we, our directors or group companies may not face legal proceedings in future; any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Companies see the chapter titled “*Outstanding Litigation and Material Developments*” on page 256 of this Red Herring Prospectus. Except as mentioned above, there are no legal proceedings by or against our Company, Directors, Promoters or Group Companies. A classification of legal proceedings is mentioned below:

| Name of Entity                        | Criminal Proceedings | Civil/ Arbitration Proceedings | Tax Proceedings | Labour Disputes | Consumer Complaints | Complaints under Section 138 of NI Act, 1881 | Aggregate amount involved (Rs. In lakhs) |
|---------------------------------------|----------------------|--------------------------------|-----------------|-----------------|---------------------|--|--|
| <b>Company</b>                        |                      |                                |                 |                 |                     |  |  |
| By the Company                        | Nil                  | Nil                            | Nil             | Nil             | Nil                 | Nil  | Nil                                      |
| Against the Company                   | Nil                  | Nil                            | Nil             | Nil             | Nil                 | Nil  | Nil                                      |
| <b>Promoters</b>                      |                      |                                |                 |                 |                     |  |  |
| By the Promoter                       | Nil                  | Nil                            | Nil             | Nil             | Nil                 | Nil  | Nil                                      |
| Against the Promoter                  | Nil                  | Nil                            | 1               | Nil             | Nil                 | Nil  | Not Ascertainable                        |
| <b>Group Companies</b>                |                      |                                |                 |                 |                     |  |  |
| By Group Companies                    | Nil                  | Nil                            | Nil             | Nil             | Nil                 | Nil  | Nil                                      |
| Against Group Companies               | Nil                  | Nil                            | Nil             | Nil             | Nil                 | Nil  | Nil                                      |
| <b>Directors other than promoters</b> |                      |                                |                 |                 |                     |  |  |
| By the Directors                      | Nil                  | Nil                            | Nil             | Nil             | Nil                 | Nil  | Nil                                      |
| Against the Directors                 | Nil                  | Nil                            | Nil             | Nil             | Nil                 | Nil  | Nil                                      |
| <b>Other Significant Persons</b>      |                      |                                |                 |                 |                     |  |  |



| Name of Entity      | Criminal Proceedings | Civil/ Arbitration Proceedings | Tax Proceedings | Labour Disputes | Consumer Complaints | Complaints under Section 138 of NI Act, 1881 | Aggregate amount involved (Rs. In lakhs) |
|---------------------|----------------------|--------------------------------|-----------------|-----------------|---------------------|--|--|
| <b>By them</b>      | Nil                  | Nil                            | Nil             | Nil             | Nil                 | Nil  | Nil                                      |
| <b>Against them</b> | Nil                  | Nil                            | Nil             | Nil             | Nil                 | Nil  | Nil                                      |

**4. Termination of agreements with the Strategic partners could have a material adverse effect on our business, financial condition and results of operations**

We have entered into agreements with strategic partners for using their technology in order to serve clients better and create synergies. Technologies like Neuromarketing, Perception Analyzer, Sensory Software among others are rendered by the strategic partners pursuant to the agreements entered with them. We are able to use the technologies which otherwise we had to buy, incurring additional cost. Termination/discontinuance of agreements with our strategic partners may result in loss of business and may affect credibility of company. It could adversely affect our revenue and cash flow. Therefore our business may be adversely affected if any of our contracts are terminated by our partners. If these partners do not renew the agreements or renews such agreements on terms and conditions that are unfavourable to our Company, it may suffer a disruption in our operations which could have a material adverse effect on our business, financial condition and results of operations.

**5. Loss of primary data , collection of inaccurate data and misinterpretation of data so collected by our team may lead to time and financial losses due to rework in collection.**

Our business handles a large amount of data and the improper use or disclosure of such data could harm our reputation and make us vulnerable to liability for breach of data privacy .The information collected by our researcher from original sources. It is not a published data, it has to be gathered by our research team by tapping various resources. Primary data is usually collected for specific purposes. It is a very slow process of collecting data and involves huge costs. Loss of these data collected at the primary source may have an adverse effect on loss of time and financial condition and results of operations. Also an accurate assessment of the information and data collected depends on availability of adequate and reliable information from the field work by our research team. If the information is inaccurate, the ability of the Company to provide demanded services at the minimal operating cost can be compromised. We face risks inherent in handling large volumes of data and in protecting the security of such data. We face a number of challenges, including protecting the data in and hosted on our system, including against attacks on our system by outside parties or fraudulent behaviour or improper use by our employees. As issues like privacy and data protection gain more importance in India, we may also become exposed to potential liabilities, including criminal liability. We depend on the accuracy of the computerized information system and data collected by our research team for critical decision making. Information regarding consumer behaviour or market research must be provided accurately. However, if the information provided by the various means and tools that we employ to collect data, are incorrect, the ability to provide the services to the clients at the minimal operation cost is compromised. Any systems failure or security breach or lapse on our part or on the part of our employees and other ecosystem participants that results in the release of user data could harm our reputation and brand and, consequently, our business, in addition to exposing us to potential legal liability. Any such legal proceedings or actions may subject us to significant penalties and negative publicity, require us to change our business practices, increase our costs and severely disrupt our business.



**6. *Certain of our revenue and earnings are dependent on the award of new Government contracts. A portion of our revenue is generated from project awards, generally obtained through a bidding process.***

The timing of when project awards is unpredictable and outside of our control. We operate in highly competitive markets where it is difficult to predict whether and when we will receive awards since these awards and projects often involve complex and lengthy negotiations and bidding processes. These processes can be impacted by a wide variety of factors including governmental approvals, financing contingencies, commodity prices, environmental conditions and overall market and economic conditions. In addition, during an economic downturn, many of our competitors may be more inclined to take greater or unusual risks or accept unfavourable terms and conditions in a contract that we might not deem fit or acceptable. Because a significant portion of our revenue is generated from such large projects, our results of operations can fluctuate from quarter to quarter and year to year depending on whether and when project awards occur and the commencement and progress of work under such awarded contracts. As a result, we are subject to the risk of losing new awards to competitors or the risk that revenue may not be derived from awarded projects as quickly as anticipated. In addition, government demand and payment for our services may be affected by public sector budgetary cycles and funding authorisations, with funding reductions or delays adversely affecting public sector demand for our solutions. Additionally, government contracts are generally subject to government oversight which can result in various penalties and administrative sanctions, including termination of contracts, fines and suspensions or debarment from future government business.

**7. *We have entered into few long term or definitive agreements with our customers. If our customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.***

We have entered into few long term or definitive agreements with our customers, and but instead we majorily rely on purchase orders to govern the volume, pricing and other terms of sales of our services. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place. Consequently, there is no commitment on the part of the customer to continue to source their requirements from us, and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customers' vendor preferences.

Any failure to meet our customers' expectations could result in cancellation of orders. There are also a number of factors other than our performance that are beyond our control and that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing services with alternative services, any of which may have an adverse effect on our business, results of operations and financial condition.

**8. *Grants of stock options under our employee stock option plan may result in a charge to our profit and loss account and, to that extent, may adversely affect our financial condition.***

As on the date of this Red Herring Prospectus, our company has passed and approved a special resolution through postal ballot dated February 08, 2016 to create , grant, offer, issue, allot 2,06,100 options over a period of five (5) years from the date of passing the resolution in one or more tranches, not more than 2,06,100 equity shares to be granted to eligible employees under our Employee Stock Option Plan, 2015 ("ESOSP Scheme 2015").The stock options have not yet been issued or exercised. The issuance or exercise of vested stock options may dilute the interest of holders of our Equity Shares (as in the case of any issuance of Equity Shares).The ESOP Scheme to reward our Directors (other than our Promoter, members of our Promoter Group and independent Directors) and permanent employees.



Under Indian GAAP, the grant of employee stock options results in a charge to our Company's profit and loss account equal to the intrinsic value (which will amortize over the vesting period of these stock options) based on the difference between the fair value of our Equity Shares determined at the date of grant and the exercise price. In addition to the impact on the profit and loss account, the exercise of vested stock options will dilute the interests of Equity Shareholders (as in the case of any issuance of Equity Shares). As and when our Company issues grants options under ESOP 2015, the impact of the same will be reflected in the financial statements of our Company.

**9. *Our ability to attract, train and retain executives and other qualified employees is critical to our business, results of operations and future growth.***

Our business and future growth is substantially dependent on the continued services and performance of our key executives, senior management and skilled personnel, especially personnel with experience in our industry. Further, our consultancy business depends upon our employees for its successful execution. However any of them may choose to terminate their employment with us at any time. We cannot assure you that we will be able to retain these employees or find equally qualified and experienced replacements in a timely manner, or at all. The specialized skills we require, especially for our divisions like Market research, Market Survey, can be difficult and time-consuming to acquire and/or develop and, as a result, such skilled personnel are often in short supply. We depend on our research and development team to develop new services, to collect and interpret data and information, maintain relationships with existing partners and clients and attract expand sales and research to existing users. We may also, from time to time, hire additional resources to focus on new areas. As a result, our ability to grow our revenues depends in part on our success in recruiting, training and retaining sufficient numbers of business development and sales and research personnel to support our growth. There is competition for individuals with research training and experience. In addition, the training and integration of a large number of marketing and research personnel in a short time requires the allocation of significant internal resources. Our failure to hire a sufficient number of qualified research and consultancy team members and training them to operate at target performance levels may materially and adversely impact our growth. Further, we depend on the management skills, guidance and industry contacts of our Key Management Personnel for our current operations, development of business strategy and for monitoring its successful implementation and meeting future challenges. We may require a long period of time to hire and train replaced personnel when skilled personnel terminate their employment with our Company. Our ability to compete effectively depends on our ability to attract new employees and to retain and motivate our existing employees. We may be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting skilled employees that our business requires. If we do not succeed in attracting well-qualified employees or retaining or motivating existing employees, our business and prospects for growth could be adversely affected.

**10. *Our business is research-driven which is dynamic and ever changing and we may not be able to adapt to such changes and maintain our growth in face of the competitive environment that we currently operate in.***

Our Company is a research driven company. Our business model is based on continuous evolution of innovative and marketing solutions for our clients. Our field involves specialised research and development of marketing and research solutions. For such R&D, we require specific skill sets. In the event, the employees in our R&D facilities disassociate themselves with our Company and if we are unable to find personnel with the requisite skill sets to replace them, we may not be able to carry out the R&D activities with required expertise and experience, which may adversely affect our operations. Further, the field of R&D is very dynamic and ever changing and we may fail to adapt to such changes. Although we have considerable knowledge and expertise, we cannot assure if we





can manage to keep up with the pace of constant innovation and developments. Further, since we operate in a highly competitive environment, it cannot be assured that we will be able to keep pace with our competitors in terms of investments in R&D, expansion, acquisitions for inorganic growth, etc. If we cannot keep pace with our competitors or cannot continuously develop new services, our business and financial conditions may be adversely affected.

***11. Our statutory auditors have included certain observations and emphasis of matter on certain matters in Audit Report***

Our statutory auditors for financial year 2016 and for the period ended June 30, 2016 have provided certain observations and emphasis of matter in their respective auditors' report and also reported certain observations in their reports on the Companies (Auditors Report) Order, 2003 (to extent applicable) and Companies (Auditors Report) Order, 2016. These matters include slight delay in payment of statutory dues like payment of service tax amounting to Rs. 24.97 lakhs and payment of TDS amounting to Rs. 0.42 lakhs. In case we are unable to meet the above commitment, we will be liable to a retrospective levy of fine. Additionally, the respective authorities have rights to levy penalties and / or interest for any defaults on a case-by-case basis. Such non compliance of Statutory due may lead to penalty, resulting in a material adverse effect on our business, financial condition and results of operations. For more information, please refer chapter titled "Outstanding Litigation And Material Developments" on page 256 the Red Herring Prospectus.

***12. If we do not successfully commercialise our marketing research methodologies, or if the commercialization is delayed, our business, financial conditions and the results of operations may be adversely affected.***

Our present and future results of operations depend upon our ability to successfully develop and commercialize our services. The development process requires extensive research and results may be uncertain and we may not be successful in developing a service that can ultimately be commercially viable. However, there can be no assurance that we will be able to maintain this record in the future as well, and we may face undue delays in commercializing our services and solutions. Such delays may adversely affect our business, financial conditions and the results of operations.

***13. Our Company has a substantial level of sundry debtors and high debtor days.***

As of March 31, 2016 the aggregate amount owed to the Company by its debtors was Rs 617.78 Lakhs and debtors days i.e.  $(\text{Trade receivables} / \text{Annual sales}) \times 365 \text{ days}$  was around 202 days as per restated standalone financials. Client concentration coupled with high debt increase the credit risk of our business. General economic conditions may adversely affect the financial conditions of our debtors, and may result in defaults by some of these debtors. In the event of defaults by our debtors, we may suffer a liquidity shortfall and incur additional costs, including legal expenses, in recovering the sums due and payable to us. If we are unable to recover the sums due and payable to us, or if the recoveries made by us are significantly lower than the aggregate amount owed to us, it may have an adverse impact on our business, financial condition or results of operations.

In view of our management, generally the average debtors period in the industry which we operate is quite high. However, the time to service the contract has resulted in high debtor days in our Company. Moreover, our Company did not have bad debts/ unrealised debtors in recent past.

***14. We do not own our registered office, corporate office and regional office from which we operate. Any dispute in relation to the lease of our premises or in the event, we are unable to renew the lease/rent agreements, or if such agreements are terminated, we may suffer a disruption in our operations which would have a material adverse effect on our business and results of operations.***

We do not own the premises on which our registered Office situated at 2<sup>nd</sup> Floor Kalpak Arcade, No. 46/70 Churchstreet, Bengaluru-560001, our corporate office situated at "Trellis", Plot





No.202/203, L.B.S. Marg, Kurla (West), Mumbai – 400 070 India and regional office situated at C-19, D.D.A Sheds, Okhala Phase-1 New Delhi – 110020. We have taken the premises for registered office on lease which is valid until May 31, 2017 and have taken the corporate office premises on rent which is valid till February 24, 2019 and March 31, 2019, respectively. If any of the owners of these premises do not renew the agreements or renews such agreements on terms and conditions that are unfavorable to our Company, it may suffer a disruption in our operations or we may have to pay increased rentals which could have a material adverse effect on our business, financial condition and results of operations. For more information, please refer chapter titled “Our Business” on page 129 the Red Herring Prospectus.


***15. A part of our revenue are from government entities which may expose us to risk, including additional regulatory scrutiny, delayed receipt of collectables and pricing pressure.***

Our business is also dependent on developing services for government agencies. We may be subject to additional regulatory or other scrutiny associated with commercial transactions with government owned or controlled entities and agencies. In addition, there may be delays associated with collection of receivables from government owned or controlled entities, which could significantly affect our liquidity and working capital.

Agreements with government agencies are subject to various uncertainties, restrictions, and regulations including profit and cost controls. Government agreements are also exposed to uncertainties associated with funding. As a result, our government clients may terminate contracts or agreements for convenience or decide not to renew our contracts with little or no prior notice.

In addition, since government contracts are subject to specific procurement regulations and a variety of other socio-economic requirements, we must comply with such requirements. These regulations and requirements affect how we transact business with our clients and in some instances, imposes additional costs on our business operations. Government contracts also contain terms that expose us to heightened levels of risk and potential liability than non-government contracts.

If we violate a rule or regulation, fail to comply with contractual or other requirement, a variety of penalties can be imposed including monetary damages, criminal and civil penalties. In addition, any or all of our government contracts could be terminated, we could be suspended or debarred from all government contract work, or payment of our costs could be disallowed. The occurrence of any of these actions could harm our reputation and could have a material adverse impact on our business, financial condition and results of operations.

***16. Intellectual property rights are important to our business. Since our business is based on evolving innovative and unique methods and using the same for developing market research and solutions, it is very important for us to ensure confidentiality of our intellectual property rights. Our Company has made various applications for registration of our logo “” and wordmark to the Registrar of Trademarks, which have been objected. We may not be able to protect our intellectual property rights and may not be allocated to us, which may harm our business.***

As on date of this Red Herring Prospectus, we have filed application for registration of our various trademarks and wordmark, which have been objected by the Registrar of Trademark. We reapplied for the registration of such trademarks and logo, result of which are still pending and awaited. Since our business is based on continuously evolving innovative methods for developing marketing research and services it is very critical for us to protect our intellectual property and trade secrets with respect to our employees who have access to such information. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our



business, financial condition and results of operations. In the event we are not able to obtain registration in respect of such trade mark application, we may not be able to obtain statutory protections available under the Trade Marks Act, 1999, as otherwise available for registered logos and trademarks. Consequently, we are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party. For details on the trademark applications, kindly refer to chapter titled ‘Government and Other Statutory Approvals’ and “Our Business” appearing on page 261 and 129 of this Red Herring Prospectus.

**17. Our Company has a negative cash flow in its operating activities as well as investing activities in the for the financial year ended 2013, 2014 2015, 2016 and three months ended June 30, 2016, details of which are given below. Sustained negative cash flow could impact our growth and business.**

Our Company had negative cash flows from our operating activities as well as investing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

(Rs in Lakhs)

| Particulars                                     | As at March 31 |          |         |         | For 3 (three) months ended June 30, 2016 |
|---|----------------|----------|---------|---------|--|
|   | 2013           | 2014     | 2015    | 2016    |  |
| Cash Flow from / (used in) Operating Activities | (73.98)        | (222.55) | (73.95) | 76.96   | (87.39)                                  |
| Cash Flow from / (used in) Investing Activities | (0.43)         | (7.91)   | (30.52) | (48.65) | 20.57                                    |
| Cash Flow from / (used in) Financing Activities | 74.50          | 230.49   | 108.44  | 31.83   | 18.82                                    |

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

**18. Our success depends largely upon the services of Key Managerial Personnel and skilled personnel and our ability to retain them. Our inability to attract and retain Key Managerial Personnel and skilled personnel may adversely affect the operations of our Company.**

Our Key Managerial Personnel and skilled personnel possess the requisite domain knowledge to provide efficient services to our clients. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our performance and success depends largely on our ability to retain the continued service of our management team and skilled personnel. Demand for Key Managerial Personnel in the industry is intense. There is significant competition for management and other skilled personnel in the market research industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. Further, we do not have a key man insurance policy to cover for the loss of skilled personnel. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.



**19. Our company has not paid certain statutory dues. In case we fail to pay these dues, concerned authorities may impose penalties on us which may effect our operations and financials.**

Our company has to submit Rs. 0.42 lakhs towards TDS and Rs. 24.97 lakhs towards service tax. In case our company fails to pay these amounts to concerned authorities the authorities may impose penalty on our company and may also impose interest on the said amounts. If such actions are taken by the authorities it may affect the financial position, image, operation of our Company. In case we are unable to meet the above commitment, we will be liable to a retrospective levy of fine. Additionally, the respective authorities have rights to levy penalties and / or interest for any defaults on a case-by-case basis. Such non compliance of statutory dues may lead to penalty, resulting in a material adverse effect on our business, financial condition and results of operations. For more information, please refer chapter titled “*Outstanding Litigation and Material Developments*” on page 256 the Red Herring Prospectus.

**20. In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding, dividend entitlement, if any, loan availed by our Company, as creditors of the Company etc.**

Our Directors and Key Managerial Personnel are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and Key Managerial Personnel may also be interested to the extent of their shareholding, dividend entitlement, if any; loan availed from them by our Company and credit balance due to them if any against purchases made from entities in which they are interested. For further information, see “*Capital Structure*” and “*Our Management*” and “*Related Party Transactions*” beginning on pages 69, 158 and 182, respectively, of this Red Herring Prospectus.

**21. Our Company exports services to countries in Middle East and South Asia. Any adverse events affecting these countries could have a significant adverse impact on our results from operations.**

We derive a part of revenue from operations from export sales. Our Company exports services to countries in Middle East and South Asia, etc. Consequently, any adverse changes in these economies such as slowdown in the economy, appreciation of the Indian Rupee vis-à-vis the currencies of these economies, acts of terrorism or hostility targeting these countries, etc. would directly impact our revenues and results from operations. In the event of change in policies or laws in these regions with respect to quality standards, branding or restrictions on usage of certain products, our financial condition and business operations may be adversely affected. In case of any contingencies in future due to which we are unable to operate effectively in these markets, our results from operations, revenues and profitability may be adversely affected.

**22. We are subject to risks arising from exchange rate fluctuations.**

Exporting of our services to various countries over the world helps us gain foreign exchange earnings and outgo in terms of FOB value of exports. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuations in the exchange rates may affect the Company to the extent of cost of goods sold or purchased in foreign currency terms. Any adverse fluctuations with respect to the exchange rate of any foreign currency for Indian Rupees may affect the Company’s profitability, since a part of sale of services are sold in international markets.

**23. Our revenues and profits are dependent on several factors. Any adverse change in these factors or in combination of these factors may affect our business operations and the financial condition and consequently, our ability to pay dividends.**



Our revenues and profits are dependent on several factors such as developing new services, retaining key managerial personnel, complying with various regulatory requirements, repeat orders from our clients, managing costs and expenses, maintaining adequate data levels, general market conditions, etc. Any adverse change in these factors or a combination of these factors may adversely affect our business operations and financial condition.

**24. Any delays or defaults in receipt of payments or dues from our customers could result in a reduction of our profits.**

We regularly commit resources to assignments prior to receiving advances or other payments from our clients. We may be subject to working capital shortages due to delays or defaults in receipt of payments or dues from such customers. If our customers default in their payments or if an order/assignment in which we have invested significant resources is delayed, cancelled or curtailed, it could have a material adverse effect on our business, financial condition and results of operations.

**25. Conflicts of interest may arise out of common business undertaken by our Corporate Promoter.**

Our Corporate Promoter, Majestic MRSS Limited, deals in the similar business activities as that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and Corporate Promoter, in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour itself over our Company. There can be no assurance that our Promoter will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition. For further details of business activities of Majestic Market Research Support Services Limited, please refer to the chapters titled “Our Promoters and Promoter Group” and Our History and Certain other Corporate Matters beginning on page 174 and 150 of this Red Herring Prospectus, respectively.

**26. Our wholly owned Subsidiary has incurred losses in the financial year 2014-15 and Joint venture has incurred losses in each of the previous years.**

Our following subsidiary has incurred losses in the previous financial years:

| <i>Name of the Company</i>  | <i>Rs. in Lakhs</i> |                |
|---|---------------------|----------------|
|   | <i>FY 2015</i>      | <i>FY 2016</i> |
| Atrevido Research & Consultants Private Limited (Earlier known as Emtee Research & Consultants Private Limited) | (1.27)              | 1.19           |

Our following Joint venture has incurred losses in the previous two financial years:

| <i>Name of the Company</i>              | <i>Rs. in Lakhs</i> |                |
|---|---------------------|----------------|
|   | <i>FY 2015</i>      | <i>FY 2016</i> |
| Scent Analysis Majestic Private Limited | (0.91)              | (6.51)         |

Sustained financial losses by our Subsidiary and Joint venture may not be perceived positively by external parties such as customers, bankers, suppliers etc., which may affect our market perception, credibility, reputation and consequently, business operations.

**27. Our insurance policies do not cover all risks, specifically risks like loss of profits, terrorism, workmen’s compensation etc. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.**

We attempt to maintain insurance against losses which could occur on account of natural and man made causes of accidents, damage to infrastructure facilities and the environment. There could be situations where our insurance policies may not be sufficient in covering all the losses which we



may suffer. If we suffer an event for which we are not adequately insured, there is a risk that it could have a material adverse effect on our business, results of operations and financial condition.

Our Company has obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of, among others, standard fire and special perils. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like loss of profits, terrorism, workmen's compensation etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

**28. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.**

Our business is working capital intensive primarily on account of nature of contracts and business model. A significant portion of our working capital is utilized towards trade receivables. Summary of our working capital position is given below:-

*Rs. In lakhs*

| Particulars   | For 3<br>(three)<br>months<br>ended<br>June<br>30, 2016 | For the year ended |               |               |              |
|---|---|--------------------|---------------|---------------|--------------|
|   |   | 2016               | 2015          | 2014          | 2013         |
| <b>A. Current Assets</b>                              |   |                    |               |               |              |
| A. Inventories  | -   | -                  | -             | -             | -            |
| B. Trade Receivables                                  | 868.70  | 617.78             | 466.34        | 205.38        | 12.52        |
| C. Cash and Bank Balances                             | 16.31   | 64.24              | 4.09          | 0.12          | 0.09         |
| D. Short Term Loans & Advances                        | 179.37  | 197.87             | 25.53         | 180.46        | 73.75        |
| E. Other Current Assets                               | 16.50   | 16.49              | 20.98         | 7.61          | -            |
| <b>Sub Total A</b>                                    | <b>1080.88</b>  | <b>896.38</b>      | <b>516.94</b> | <b>393.57</b> | <b>86.36</b> |
| <b>B. Current Liabilities</b>                         |   |                    |               |               |              |
| A. Short Term Borrowings                              | 96.79   | 70.75              | 122.49        | 4.92          | -            |
| B. Trade Payables                                     | 31.74   | 19.67              | 7.26          | 82.04         | -            |
| C. Other Current Liabilities                          | 160.09  | 117.01             | 42.15         | 16.12         | 12.54        |
| D. Short Term provision                               | 80.72   | 70.89              | 10.28         | 1.54          | 0.02         |
| <b>Sub Total B</b>                                    | <b>369.34</b>   | <b>278.32</b>      | <b>182.18</b> | <b>104.62</b> | <b>12.56</b> |
| <b>Working Capital (A-B)</b>                          | <b>711.54</b>   | <b>618.06</b>      | <b>334.76</b> | <b>288.95</b> | <b>73.80</b> |
| <b>Inventories as % of total current assets</b>       | -   | -                  | -             | -             | -            |
| <b>Trade receivables as % of total current assets</b> | 80.37%  | 68.92%             | 90.21%        | 52.18%        | 14.50%       |





Our business is working capital intensive and involves a lot of investment as well as debtors. Our Company intend to continue growing by reaching out to newer customers and also increasing the sales in the existing customers. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “Objects of the Issue” beginning on page 95 of this Red Herring Prospectus.

- 29. *Our Company has delayed in complying with reporting requirements such as registration of special resolutions, filing of form for appointment / resignation of directors, filing of annual returns etc., as required under the Companies Act to the RoC. Such delay/non-compliance in the future may render us liable statutory penalties.***

Our Company is required under the Companies Act to make filings with the Registrar of Companies from time to time within the stipulated period. Further, our Company has delayed in complying with reporting requirements such as registration of special resolutions, filing of form for appointment / resignation of directors, filing of annual returns etc., as required under the Companies Act to the RoC. Such delay/non-compliance may in the future render us liable to statutory penalties and could have serious consequences on our operations

- 30. *We have not applied for certain statutory and regulatory approvals, registrations and licenses and also application for certain statutory and regulatory approvals, registrations and licenses are still pending with the relevant governmental or regulatory authorities. Further, our inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations and profitability.***

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals. For details please refer to chapter titled “Government and Other Statutory Approvals” beginning on page 261 of this Red Herring Prospectus.

- 31. *Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be impaired.***

Some of the agreements entered into by us with respect to our registered and our corporate offices and other leasehold/leave and license premises are not adequately stamped and registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute vis-à-vis the said premises and our non-compliance of local laws relating to stamp duty and registration may adversely impact the continuance of our activity from such premises.

- 32. *We may not be able to sustain if there is no effective implementation of our business and growth strategy.***

Success of our business will depend greatly on our ability to effectively implement our business and growth strategy. We cannot provide assurance that we will be able to execute our strategy on time and within the estimated budget, or that we will meet the expectations of targeted customers.





Changes in regulations applicable to the industry in which we operate may also make it difficult to implement our business strategy. Inability on our part to our business and effectively implement growth strategy could have a material adverse effect on our business, financial condition and profitability.

- 33. *Our Company does not have any listed peer companies for comparison of performance and therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue.***

Business models of some of the listed companies which undertake certain business, which may be considered similar to our business are not comparable to our business model based on (i) percentage of contribution made by similar line of activities like market research through different medium, and other activities to the total revenue of these listed companies; and (ii) nature and extent of activities in diverse sectors undertaken by these listed companies. Therefore, there are no listed companies that may be considered as the peer group of our Company. Therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue.

- 34. *Our Promoters / Directors and Promoter/Director of Parent Company have given personal guarantees in relation to certain debt facilities provided to our Company by our lender. In event of default on the debt obligations, the personal guarantees may be invoked thereby adversely affecting our Promoters/ Directors ability to manage the affairs of our Company and consequently this may impact our business, prospects, financial condition and results of operations.***

Some of the debt facilities provided to our Company by our lenders stipulate that the facility shall be secured by a personal guarantee of our Promoters/ Director and Promoter/Director of Parent Company . In event of default on the debt obligations, the personal guarantees may be invoked thereby adversely affecting our Promoters/ Directors / Key Managerial Personnel(s) ability to manage the affairs of our Company and consequently this may impact our business, prospects, financial condition and results of operations. Further, in an event our Promoters/ Director and Promoter/Director of Parent Company withdraws or terminates his/their guarantee/s or security, the lenders for such facilities may ask for alternate guarantee/s or securities or for repayment of amounts outstanding under such facilities or even terminate such facilities. We may not be successful in procuring guarantee/s or collateral securities satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled “*Financial Indebtedness*” beginning on page 252 of this Red Herring Prospectus.

- 35. *We may face growing and new competition that may adversely affect our competitive position and our profitability***

We operate in a growing competitive environment. We compete with our competitors on the basis of market acceptance, sector-specific knowledge, methodologies, quality of our reports and client service. In addition to the domestic market research companies we have to compete with the global players also. These companies already have well rooted experience in market research industry creating a relatively high competition for new entrant like our Company.

- 36. *Delays in the deliverables to clients may result in an adverse impact on our reputation, business, financial condition and prospects.***

Factors beyond our control or any unforeseen events may cause our deliverable to be delayed. Any delay in such case may result in an adverse impact on our reputation, business, financial condition and prospects. Moreover, any significant delay could result in a delayed payment from clients,



additional funding requirements, cost overruns. This may have an adverse impact on our reputation and could have a material adverse effect on our business, financial condition and prospects.

**37. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements.***

Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans.

Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

**38. *Our lenders have charge over our current assets in respect of finance availed by us.***

Our Company have taken secured loan from banks by creating charge over our current assets in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us for secured loans were Rs. 69.75 lakhs as on March 31, 2016 and Rs. 96.79 lakhs for the period ended June 30, 2016. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on our business, financial condition and results of operations. For further details please refer to “Annexure VII- Details of Long Term Borrowings as Restated” and “Annexure X- Details of Short Term Borrowings as Restated” of chapter titled “Financial Statements as Restated” beginning on page 184 and Financial Indebtedness in chapter titled “Financial Indebtedness” on page 252 of this Red Herring Prospectus.

**39. *Any deficiency in our services could make our Company liable for customer claims, which in turn could affect our Company’s results of operations.***

Our Company is bound by the terms and conditions as placed before its customers. There are no specific regulations governing the supply of the same, other than the general law of contracts. Any claims made by these customers for deficiency in our services, would be subject to these terms and conditions, which are in the nature of normal contractual obligations in India. Any violation of these obligations could impact our Company’s results of operations.

**40. *Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 95 of this Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the “Objects of this Issue” have not been appraised by any bank or financial institution.***

We intend to use entire Issue proceeds for working capital, Purchase of Commercial Office, Civil and Interior work and General Corporate Purpose. We intend to deploy the Net Issue Proceeds in Financial Year 2016-17 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “Objects of the Issue” beginning on page 95 of this Red Herring Prospectus.



The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled '*Objects of this Issue*' beginning on page 95 of this Red Herring Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Audit Committee will monitor the utilization of the proceeds of this Issue.

**41. *We have not identified any alternate source of financing the 'Objects of the Issue'. If we fail to mobilize resources as per our plans, our growth plans may be affected.***

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from the Issue or any shortfall in the Issue Proceeds may delay the implementation schedule of our Project and could adversely affect our growth plans.

For further details please refer to the chapter titled "*Objects of the Issue*" beginning on page 95 of the Red Herring Prospectus.

**42. *One of our "Objects of the Issue" is purchasing of Commercial office or corporate office in Mumbai. We have not yet booked any property for which funds are being raised through the Issue, but we have asked some property agents for quotation of the property.***

Our Company proposes to utilise Rs. 180.00 lakhs of the Issue Proceeds for purchase of commercial /corporate office in Mumbai. The existing Corporate office is relatively smaller than required and has been taken on leave & license basis. As we aim to expand our research activities a larger space will help to increase our bandwidth. We have not yet purchased or booked or took possession of the property. We have received quotation, which is time-bound and may be subject to revisions. Further, we may in future encounter cost overruns or delays, for various reasons including non-delivery of equipment by suppliers. In case the identified office is not available due to unforeseen events we cannot assure you that we will be able to identify another suitable locations on reasonable or commercially acceptable terms or establish new offices within the anticipated time and costs. Any one or combination of these factors could undermine the objects of the Issue and restrict our growth.

**43. *Our Promoters will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval***

Post this Issue, our Promoters will collectively own [●] % of our equity share capital. As a result, our Promoters will continue to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

**44. *We have entered into Related Party Transactions aggregating Rs. 92.27 lakhs during the financial year 2015-16 and Rs. 34.10 lakhs for the period ended June 30, 2016 as per standalone financials of the our company and continue to do so in future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operations.***



Our Company has entered into transactions with our certain related parties. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to "Annexure XXIII Related Party Transactions" in Section "Financial Statements" beginning on page 184 of this Red Herring Prospectus.

**45. *Our future funds requirements, in the form of Issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

**46. *We could be harmed by employee misconduct or any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, results of operations, financial condition and goodwill could be adversely affected.

**47. *Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors.***

Till date our Company has not paid any dividend. The amount of our future dividend payments, if any, will depend upon various factors such as our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future.

Additionally, the terms of any financing we obtain in the future, may contain restrictive covenants which may also affect some of the rights of our shareholders, including the payment of the dividend.

**48. *Industry information included in this Red Herring Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective 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 for other economies 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 may be the case elsewhere. Statements from third parties that involve



estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

**B. Issue related risk**

***49. There are restrictions on daily/weekly/monthly/annual 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.***

Once listed, we would be subject to circuit breakers imposed by stock exchange in India i.e. BSE Limited, 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 exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may 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.

***50. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares on the Stock Exchange may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to the Industry in which we operate;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies; and
- g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

***51. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares has been determined by fixed price method. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 102 of this Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;





- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**52. *You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the Red Herring Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchange, we are required to refund all monies collected to investors.

**53. *Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

#### **EXTERNAL RISK FACTORS**

**54. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Red Herring Prospectus.***

As stated in the reports of the Auditor included in this Red Herring Prospectus on page 184, the financial statements included in this Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India, if securities transaction tax has been paid on the transaction. Any gain realised on the sale of shares held for more than 36 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be





subject to long term capital gains tax in India. Further, any gain realised on the sale of equity shares held for a period of 36 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, may be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

**56. *The nationalized goods and services tax (GST) regimes proposed by the Government of India may have material impact on our operations.***

The Government of India has proposed a comprehensive national goods and service tax (GST) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure. Given the limited liability of information in the public domain covering the GST we are unable to provide/ measure the impact this tax regime may have on our operations.

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

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in Red Herring Prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, the Companies Act, 2013 imposes greater monetary and other liability on our Company and Directors for any non-compliance. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

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

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. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

**59. *Financial instability in Indian financial markets could adversely affect Our Company's results of operations and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material



and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

**60. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between nonresidents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**61. *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, fluctuations in commodities markets, consumer debt levels, unemployment trends 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, which may negatively affect our stock prices.

**62. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

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. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**63. *Instability of economic policies and the political situation in India could adversely affect the fortunes of the industry.***

Unstable internal and international political environment could impact the economic performance in both the short term and the long term. The Government of India has pursued the economic liberalization policies including relaxing restrictions on the private sector over the past several years. The present Government has also announced policies and taken initiatives that support continued economic liberalization. The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Our Company's business, and the market price and liquidity of the Equity Shares, may be affected by changes in interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

**64. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***



India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

**65. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.**

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**66. Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.**

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operation as well as the price of the Equity Shares.

**PROMINENT NOTES:**

- a) Further Public Issue of [●] Equity Shares of face value of Rs. 10/- each of the Company for cash at a price of Rs.[●] per Equity Share (including a share premium of Rs.[●] per equity share) ("Issue Price") aggregating Rs.1000.00 Lakhs ("the Issue"). Issue of Equity Shares will constitute [●] % of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled "The Issue" on page 57 of this Red Herring Prospectus.
- b) The pre-issue net worth of our Company was Rs. 661.95 lakhs for March 31, 2016 and Rs.745.19 lakhs for the period ended June 30, 2016. The book value of each Equity Share was Rs.15.98 for March 31, 2016 and Rs. 18.08 for the period ended June 30, 2016 as per the restated standalone financial statements of our Company. For more information, please refer to section titled "Financial Statements" beginning on page 184 of this Red Herring Prospectus.
- c) The pre-issue consolidated net worth of our Company was Rs. 658.54 lakhs as of March 31, 2016 Rs. 364.12 lakhs as of March 31, 2015 and 742.32 lakhs for the period ended June 30, 2016 .The consolidated book value of each Equity Share was Rs. 15.69 as of March 31, 2016, Rs.11.42 as of March 31, 2015 and Rs.18.01 for the priod ended June 30, 2016 as per the restated consolidated financial statements of our Company. For more information, please refer to section titled "Financial Statements" beginning on page 184 of this Red Herring Prospectus.
- d) The average cost of acquisition of per Equity Shares by our Promoter, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

| Name of the Promoter                              | No. of Shares held | Average cost of Acquisition of Equity Shares (in Rs.) |
|---|--------------------|---|
| Majestic Market Research Support Services Limited | 20,87,500          | 10  |



| Name of the Promoter         | No. of Shares held | Average cost of Acquisition of Equity Shares (in Rs.) |
|------------------------------|--------------------|---|
| <b>Rajendra Kumar Sharma</b> | 9,14,495           | 10  |
| <b>Sarang Jayant Panchal</b> | 1                  | 10  |

- e) For details of Related Party Transactions entered into by our Company, please refer to the chapter titled “*Related Party Transactions*” beginning on page 182 of this Red Herring Prospectus.
- f) Except as disclosed in the chapter titled “*Capital Structure*”, “*Our Promoters and Promoter Group*” and “*Our Management*” beginning on pages 69, 174 and 158 respectively, of this Red Herring Prospectus, none of our Promoters, Directors or Key Management Personnel has any interest in our Company.
- g) Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 69 of this Red Herring Prospectus, we have not issued any Equity Shares for consideration other than cash.
- h) Investors may contact the BRLM or the Compliance Officer for any clarification / complaint or information relating to the Issue, which shall be made available by the BRLM and our Company to the investors at large. No selective or additional information will be available for a section of investors in any manner whatsoever. For contact details of the BRLM and the Compliance Officer, please refer to the chapter titled “*General Information*” beginning on page 58 of this Red Herring Prospectus.
- i) Investors are advised to refer to chapter titled “*Basis for Issue Price*” on page 102 of this Red Herring Prospectus.
- j) Trading in Equity Shares for all investors shall be in dematerialized form only.
- k) There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Independent Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Red Herring Prospectus.
- l) Except as stated in the chapter titled “*Our Group Companies*” beginning on page 181 and chapter titled “*Related Party Transactions*” beginning on page 182 of this Red Herring Prospectus, our Group Entities have no business interest or other interest in our Company.
- m) Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “*Issue Structure*” beginning on page 285 of this Red Herring Prospectus
- n) Our Company was incorporated as “*Majestic Research Services and Solutions Private Limited*” vide Certificate of Incorporation dated May 2, 2012 bearing Registration No. 063818 issued by Registrar of Companies, Karnataka. Subsequently our Company was converted into a public limited company vide fresh Certificate of Incorporation dated August 11, 2014 and the name of our Company was changed to “*Majestic Research Services and Solutions Limited*”. For further details of changes in the name of our Company, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 150 of this Red Herring Prospectus.



## SECTION III – INTRODUCTION

### SUMMARY OF INDUSTRY

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that 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. You should read the entire Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 19 and 184 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.*

### INDIAN MARKET RESEARCH INDUSTRY: INTRODUCTION

The research ecosystem in India presents a significant opportunity for multinational corporations across the world due to its intellectual capital available in the country. Legions of Indian engineers working across the globe highlight the highly trained manpower available at competitive costs. Consequently, several MNCs have shifted or are shifting their research and development (R&D) base to India. These R&D bases either develop products to serve the local market or help the parent company overseas deliver new innovative generation of products faster to the markets across the world.

Adobe System Inc expects India to contribute significantly to the overall growth of the company as a substantial portion of Adobe's core Research and Development (R&D) is being done in the country..

*(Source: <http://www.ibef.org/industry/agriculture-india.aspx> )*

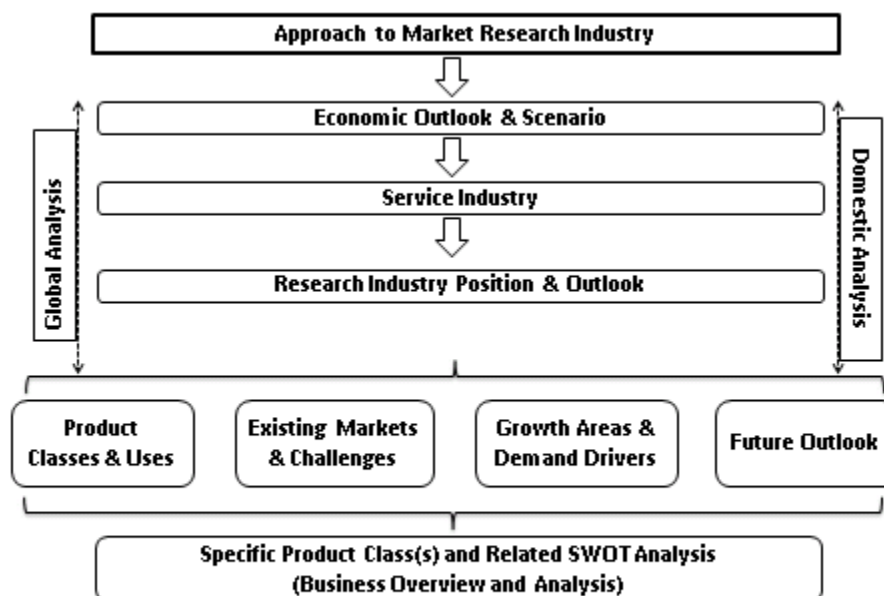
### APPROACH TO RESEARCH INDUSTRY ANALYSIS

Analysis of market research industry needs to be approached at both macro and micro levels, whether for domestic or global markets. This industry forms part of service industry at a macro level. Hence, broad picture of service industry should be at preface while analyzing the market research industry. If the entire service sector is likely to be impacted by a specific set of factors, so would, most likely, be the market research industry as well.

Service industry comprises various streams of services including insurance, banking, education, tourism, knowledge process outsourcing and the like, which in turn, have numerous sub-classes. One such robustly growing industry globally in the overall service sector is ‘market research industry’ which falls under knowledge process outsourcing sector.

Thus, market research industry segment should be analyzed in the light of ‘knowledge process outsourcing’ industry. An appropriate view on market research industry, then, calls for the overall economy outlook, performance and expectations of service sector, position of global and domestic growth and micro analysis.





*This Approach Note is developed by Pantomath Capital Advisors (P) Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of Fertilizer Industry and / or any other industry, may entail legal consequences.*

## **GLOBAL ECONOMIC ENVIRONMENT**

### **INTRODUCTION**

Since the Economic Survey and Budget were presented a year ago, the Indian economy has continued to consolidate the gains achieved in restoring macro-economic stability. Inflation, the fiscal deficit, and the current account deficit have all declined, rendering India a relative haven of macro stability in these turbulent times. Economic growth appears to be recovering, albeit at varying speeds across sectors.

At the same time, the upcoming Budget and 2016-17 (FY-2017) economic policy more broadly, will have to contend with an unusually challenging and weak external environment. Although the major international institutions are yet again predicting that global growth will increase from its current subdued level, they assess that risks remain tilted to the downside. This uncertain and fragile outlook will complicate the task of economic management for India.

The risks merit serious attention not least because major financial crises seem to be occurring more frequently. The Latin American debt crisis of 1982, the Asian Financial crisis of the late 1990s, and the Eastern European crisis of 2008 suggested that crises might be occurring once a decade. But then the rapid succession of crises, starting with Global Financial Crisis of 2008 and proceeding to the prolonged European crisis, the mini-crises of 2013, and the China provoked turbulence in 2015 all hinted that the intervals between events are becoming shorter.

This hypothesis could be validated in the immediate future, since identifiable vulnerabilities exist in at least three large emerging economies—China, Brazil, Saudi Arabia—at a time when underlying growth and productivity developments in the advanced economies are soft. More flexible exchange rates, however, could moderate full-blown eruptions into less disruptive but more prolonged volatility.

One tail risk scenario that India must plan for is a major currency re-adjustment in Asia in the wake of a similar adjustment in China; as such an event would spread deflation around the world. Another tail risk





scenario could unfold as a consequence of policy actions—say, capital controls taken to respond to curb outflows from large emerging market countries, which would further moderate the growth impulses emanating from them.

In either case, foreign demand is likely to be weak, forcing India—in the short run—to find and activate domestic sources of demand to prevent the growth momentum from weakening. At the very least, a tail risk event would require Indian monetary and fiscal policy not to add to the deflationary impulses from abroad. The consolation would be that weaker oil and commodity prices would help keep inflation and the twin deficits in check.

*(Source: Economic Survey 2015-16-Volume I; [www.indiabudget.nic.in](http://www.indiabudget.nic.in))*

## **GLOBAL ECONOMIC OVERVIEW**

The global macroeconomic landscape is currently chartering a rough and uncertain terrain characterized by weak growth of world output. The situation has been exacerbated by; (i) declining prices of a number of commodities, with reduction in crude oil prices being the most visible of them, (ii) turbulent financial markets (more so equity markets), and (iii) volatile exchange rates. These conditions reflect extreme risk-aversion behaviour of global investors, thus putting many, and in particular, commodities exporting economies under considerable stress.

One important positive outcome in 2015 is the modest pickup in the growth of some of the advanced economies. However, growth in emerging market and developing economies declined for the fifth consecutive year. As a result, overall global economic activity remained subdued in 2015. In its latest Update of the World Economic Outlook (WEO), published on 19 January 2016, the IMF projected growth in the global economy to improve from 3.1 per cent in 2015, to 3.4 per cent in 2016 and further to 3.6 per cent in 2017. Growth in advanced economies is projected at 2.1 per cent in 2016 and to continue through 2017 at the same rate.

The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large Emerging Market and Developing economies (EMDE) are likely to continue to weigh on their growth prospects in 2016–17. Assessments indicate that mixed inflation developments in the EMDEs reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year. The WEO update also indicated that India and the rest of emerging Asia are bright spots, with some other countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness. World trade volume growth projections have been placed at 2.6 per cent and 3.4 per cent respectively for 2015 and 2016, which is much lower than what was estimated earlier in WEO in October 2015.

*(Source: Economic Survey 2015-16-Volume II; [www.indiabudget.nic.in](http://www.indiabudget.nic.in))*

## **GLOBAL OUTLOOK FOR GROWTH**

One important positive outcome in 2015 was the modest pick-up in growth in some of the advanced economies. It might be recalled that after falling in 2009 due to the 2008 global financial crisis, growth in emerging and developing economies rebounded in 2010 and 2011. While advanced economies also exhibited a recovery in 2010 thanks to the large stimuli, global growth continued to be tepid relative to the average of the decade ending 2006, largely on account of the slowdown in advanced economies. Spill over effects of the crisis may have been large, prolonged and bi-directional, given that the global integration is far greater than in the prior decade. This has made the task of projecting global economic outlook arduous. This uncertainty has led to the International Monetary Fund (IMF) revising the global growth outlook in its World Economic Outlook (WEO) four times a year since 2009.

In its latest WEO Update, published on 19 January 2016, the IMF has projected growth in the global economy to go up from 3.1 per cent in 2015 to 3.4 per cent in 2016 and further to 3.6 per cent in 2017,



slightly lower than the projection published in October 2015. Growth in advanced economies is revised by 0.2 percentage points in 2016 to 2.1 per cent, to continue through 2017. Growth in the US is expected to remain resilient owing to strengthening of the housing and labour markets. Growth in the euro area is expected to increase due to stronger private consumption supported by lower oil prices and easy financial conditions is expected to outweigh the weakening in net exports. Growth in Japan is also expected to consolidate in 2016, on the back of fiscal support, lower oil prices, accommodative financial conditions, and rising incomes.

Overall global economic activity remained subdued in 2015, as growth in emerging market and developing economies (EMDE) declined for the fifth consecutive year and recovery in advanced economies was modest. This is also attributable to the changing composition of the global economy and relative point contributions to global growth. The fall in the contribution of the EMDEs is not being made good by the advanced economies. A recent feature is that the Chinese economy is gradually slowing down and is transitioning from investment demand to consumption demand and from manufacturing to services. The concern over the spill over's of subdued global growth to other economies through trade channels and weaker commodity prices is manifest in diminishing confidence and increasing volatility in financial markets. In addition, a dual monetary policy—a gradual tightening in monetary policy in the US in the backdrop of its resilient recovery and easy monetary policy in several other major advanced economies has led to continued uncertainties and poses challenges for the year ahead. In the case of EMDEs, growth remained subdued at 4 per cent in 2015, but is projected to increase to 4.3 per cent in 2016 and 4.7 per cent in 2017. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17. Assessments indicate that mixed inflation developments in EMDEs reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year. The 19 January WEO Update also indicated that India and the rest of emerging Asia are bright spots, albeit with some countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness. The IMF's growth forecast for India is 7.5 per cent in 2016 and 2017 and this surpasses the projection of 6.3 per cent and 6.0 per cent respectively for China. The level of global economic activity has a significant and direct bearing on the growth prospects of the emerging economies through trade channels. As per the Update, world trade volume growth projections have been placed at 3.4 per cent and 4.1 per cent respectively for 2016 and 2017 lower by 0.7 percentage points to 0.5 percentage point respectively from WEO, October 2015. The World Bank's Report on Global Economic Prospects (January 2016) also estimated that India will grow by a robust 7.8 per cent in 2016 and 7.9 per cent in the following two years. Compared to other major developing countries, the report maintained that India is well positioned to withstand near-term headwinds and volatility in global financial markets due to reduced external vulnerabilities, a strengthening domestic business cycle, and a supportive policy environment.

(Source: *Economic Survey 2015-16-Volume II*; [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## THE INDIAN ECONOMY

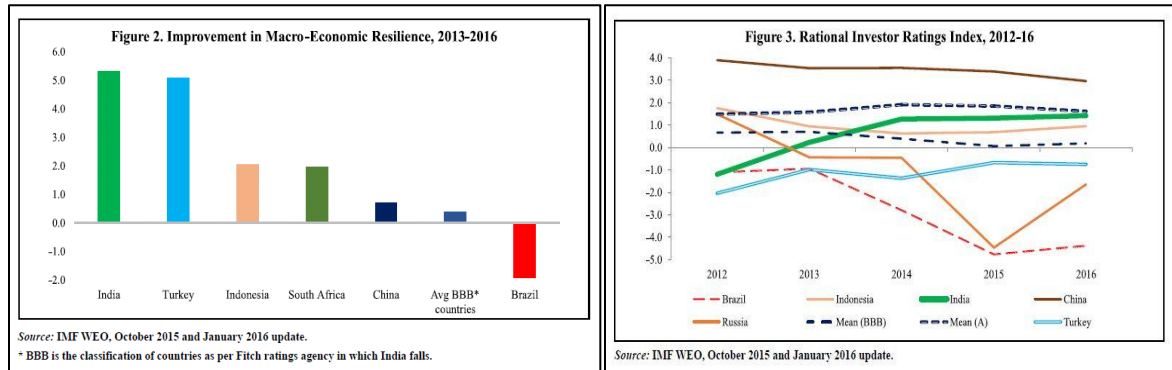
The Indian economy has continued to consolidate the gains achieved in restoring macroeconomic stability. A sense of this turnaround is illustrated by a cross-country comparison. In last year's Survey, we had constructed an overall index of macroeconomic vulnerability, which adds a country's fiscal deficit, current account deficit, and inflation. This index showed that in 2012 India was the most vulnerable of the major emerging market countries. Subsequently, India has made the most dramatic strides in reducing its macro-vulnerability. Since 2013, its index has improved by 5.3 percentage points compared with 0.7 percentage points for China, 0.4 percentage points for all countries in India's investment grade (BBB), and a deterioration of 1.9 percentage points in the case of Brazil (Figure 2).

If macro-economic stability is one key element of assessing a country's attractiveness to investors, its growth rate is another. In last year's Survey we had constructed a simple Rational Investor Ratings Index (RIRI) which combined two elements, growth serving as a gauge for rewards and the macro-



economic vulnerability index proxying for risks. The RIRI is depicted in Figure 3; higher levels indicate better performance. As can be seen, India performs well not only in terms of the change of the index but also in terms of the level, which compares favourably to its peers in the BBB investment grade and even its “betters” in the A grade. As an investment proposition, India stands out internationally.

(Source: *Economic Survey 2015-16-Volume I*, [www.indiabudget.nic.in](http://www.indiabudget.nic.in))



(Source: *Economic Survey 2015-16-Volume I*, [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

In the Advance Estimates of GDP that the Central Statistics Office (CSO) released recently, the growth rate of GDP at constant market prices is projected to increase to 7.6 per cent in 2015-16 from 7.2 per cent in 2014-15, mainly because private final consumption expenditure has accelerated. Similarly, the growth rate of GVA for 2015-16 is estimated at 7.3 per cent vis-à-vis 7.1 per cent in 2014-15. Although agriculture is likely to register low growth for the second year in a row on account of weak monsoons, it has performed better than last year. Industry has shown significant improvement primarily on account of the surprising acceleration in manufacturing (9.5 per cent vis-à-vis 5.5 per cent in 2014-15). Meanwhile, services continue to expand rapidly.

- Even as real growth has been accelerating, nominal growth has been falling, to historically low levels, an unusual trend highlighted in the Mid-Year Economic Analysis (MYEA), 2015-16.
- According to the Advance Estimates, nominal GDP (GVA) is likely to increase by just 8.6 (6.8) percent in 2015-16.
- In nominal terms, construction is expected to stagnate, while even the dynamic sectors of trade and finance are projected to grow by only 7 to 7¾ percent.
- Inflation remains under control The CPI-New Series inflation has fluctuated around 5½ percent, while measures of underlying trends—core inflation, rural wage growth and minimum support price increases—have similarly remained muted. Meanwhile, the WPI has been in negative territory since November 2014, the result of the large falls in international commodity prices, especially oil. As low inflation has taken hold and confidence in price stability has improved, gold imports have largely stabilized, notwithstanding the end of a period of import controls
- Similarly, the external position appears robust. The current account deficit has declined and is at comfortable levels; foreign exchange reserves have risen to US\$351.5 billion in early February 2016, and are well above standard norms for reserve adequacy; net FDI inflows have grown from US\$21.9 billion in April-December 2014-15 to US\$27.7 billion in the same period of 2015-16; and the nominal value of the rupee, measured against a basket of currencies, has been steady. India was consequently well-positioned to absorb the volatility from the U.S.



Federal Reserve actions to normalize monetary policy that occurred in December 2015. Although the rupee has declined against the dollar, it has strengthened against the currencies of its other trading partners.

- The fiscal sector registered three striking successes: on-going fiscal consolidation, improved indirect tax collection efficiency; and an improvement in the quality of spending at all levels of government.
- Government tax revenues are expected to be higher than budgeted levels. Direct taxes grew by 10.7 per cent in the first 9 months (9M) of 2015-16. Indirect taxes were also buoyant. In part, this reflected excise taxes on diesel and petrol and an increase in the Swachh Bharat cess. The central excise duty collection from petroleum products during April to December 2015-16 recorded a growth of 90.5 per cent and stood at Rs.1.3 lakh crore as against Rs. 0.7 lakh crore in the same period last year. Tax performance also reflected an improvement in tax administration because revenues increased even after stripping out the additional revenue measures (ARMs). Indirect tax revenues grew by 10.7 per cent (without ARMs) and 34.2 per cent (with ARMs).
- The main findings are that a welcome shift in the quality of spending has occurred from revenue to investment, and towards social sectors. Aggregate public investment has increased by about 0.6 per cent of GDP in the first 8 months of this fiscal year, with contributions from both the Centre (54 per cent) and states (46 per cent).

(Source: *Economic Survey 2015-16-Volume I*, [www.indiabudget.nic.in](http://www.indiabudget.nic.in))



## SUMMARY OF BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward-Looking Statements” beginning on page 18 of this Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Consolidated Financial Information, prepared in accordance with Indian GAAP and Companies Act and restated in accordance with the SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information as restated” beginning on pages 19 and 184, respectively

### OUR OVERVIEW

Our Company was originally incorporated as “Majestic Research Services and Solutions Private Limited” at Bengaluru, Karnataka, as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated May 2, 2012 bearing registration number 063818 issued by Registrar of Companies, Karnataka, Bangalore. Subsequently, our Company was converted in to a public limited company pursuant to Special Resolution passed by the Company at its Extra Ordinary General Meeting held on July 10, 2014 and fresh certificate of incorporation dated August 11, 2014 was issued and the name of our Company was changed to ‘Majestic Research Services and Solutions Limited’. Further our Company came out with Initial Public Offer in the year 2015 and got listed to SME exchange of BSE Ltd. on July 16, 2015. The corporate identity number of our Company is L72200KA2012PLC063818.

Our Company is the subsidiary of Majestic Market Research Support Services Limited also referred hereinafter as the “Parent Company

Majestic Market Research Support Services Limited, Rajendra Kumar Sharma and Sarang Jayant Panchal are the promoters of our Company. Sandip Bhatia and Naina Krishna Murthy were the initial subscribers to the Memorandum of Association of our Company. Subsequently the shares of Sandip Bhatia were transferred to Rajendra Kumar Sharma, and the shares of Naina Krishna Murthy were transferred to Rajendra Kumar Sharma, Harish Singh, Mani Singh Kalsi, Sarang Jayant Panchal and Sagar Bait.

Majestic Market Research Support Services Limited first acquired shares of our company on June 20, 2013. The shares of Sandip Bhatia were transferred to RajendraKumar Sharma, and the shares of Naina Krishna Murthy were transferred to RajendraKumar Sharma and Sarang Jayant Panchal on July 9, 2014.

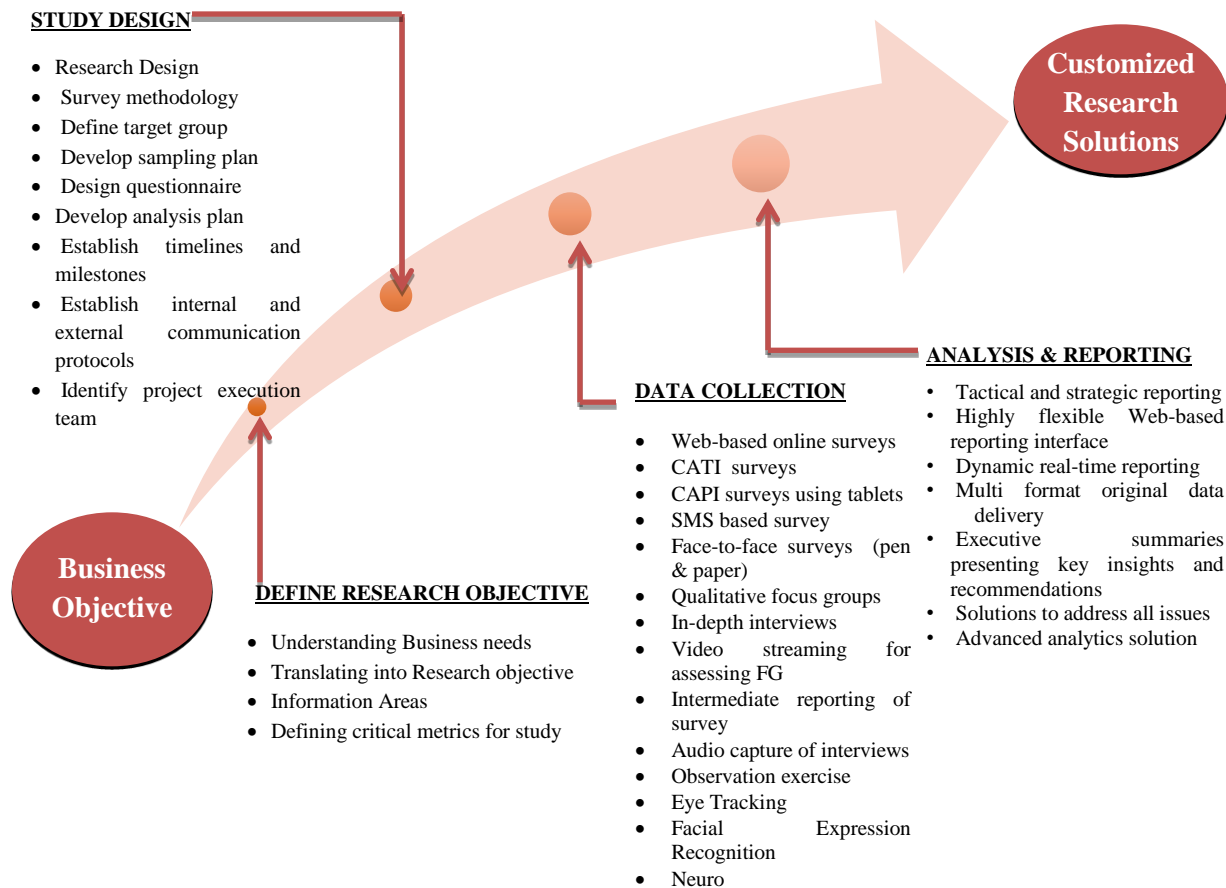
MRSS India offers customized solutions in market research that cater to business across the product life cycle. The Company focuses on market research, advertising research, brand research and consumer research and also offers an array of other research services to assist companies in developing more services. From pre-production market sizing to post-product launch monitoring, MRSS India has the appropriate resources and regional expertise to provide tailored solutions for its clients.

We provide actionable insights to our clients and assist them in making better strategic decisions in their respective lines of business. Our Company is professionally managed, with a Board of Directors comprising three independent directors and two executive directors which are experienced in the business of our Company. We strive for the following values:



- Integrity: We are committed to act in an ethical, honest manner;
- Respect : We believe that all people should be treated with consideration and dignity;
- Teamwork : We are committed to long term, effective partnerships internally as well as with our clients

## OUR RESEARCH APPROACH AND BUSINESS PROCESS



The different stages of our business process of market research are given below:

**1. Define Research Objective:**

The first stage deals with understanding of the business needs of our esteemed clients and translating their needs into research objective which involves providing a customized service suiting their requirements. It also covers defining of informative areas and critical metrics for study.

**2. Study Design:**

After defining the research objective, the second stage consists of deriving the study design and survey methodology is what that follows. It includes studies of research designing, designing questionnaires for target group, developing of sample plan, analyzing the plan, establishing timelines and milestones and identifying the project and execution of it.

**3. Data Collection:**

Data collection stage is the third stage wherein the data is collected by means of - Web-based online surveys, CATI surveys, CAPI surveys using tablets, SMS based survey, Face-to-face surveys (pen & paper), qualitative focus group, in-depth interviews, intermediate reporting of survey, audio capture of interviews, eye trackings, Facial recognitions, Neuros, etc.

**4. Analysis & Reporting:**

This is the final stage where we report to our clients through tactical and strategic reporting, highly flexible web-based reporting interface, real-time reporting, executive summaries and dashboards presenting key insights and recommendations, solutions addressing all issues and advanced analytics solution.





**SUMMARY OF FINANCIAL STATEMENTS**

**ANNEXURE I: STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

**Rs In Lakhs**

| Particulars                                  | As at<br>June<br>30, 2016 | As at March 31, |               |               |              |
|--|---------------------------|-----------------|---------------|---------------|--------------|
|  |                           | 2016            | 2015          | 2014          | 2013         |
| <b>EQUITY AND LIABILITIES</b>                |                           |                 |               |               |              |
| <b>Shareholders' Funds</b>                   |                           |                 |               |               |              |
| a. Share Capital                             | 412.20                    | 412.20          | 300.20        | 300.20        | 74.50        |
| b. Reserves & Surplus                        | 332.99                    | 249.75          | 65.27         | 13.47         | 0.69         |
| Share Application Money<br>Pending Allotment | -                         | -               | -             | -             | -            |
| <b>Non Current Liabilities</b>               |                           |                 |               |               |              |
| a. Long Term Borrowings                      | -                         | -               | -             | -             | -            |
| b. Deferred Tax Liabilities                  | -                         | -               | -             | 0.90          | 0.01         |
| c. Other Long Term Liabilities               | -                         | -               | -             | -             | -            |
| c. Long Term Provisions                      | 9.02                      | 8.00            | 3.39          | 1.46          | 1.03         |
| <b>Current Liabilities</b>                   |                           |                 |               |               |              |
| a. Short Term Borrowings                     | 96.79                     | 70.75           | 122.49        | 4.92          | -            |
| b. Trade Payables                            | 31.74                     | 19.67           | 7.26          | 82.04         | -            |
| c. Other Current Liabilities                 | 160.09                    | 117.01          | 42.15         | 16.12         | 12.54        |
| d. Short Term Provisions                     | 80.72                     | 70.89           | 10.28         | 1.54          | 0.02         |
| <b>T O T A L</b>                             | <b>1123.55</b>            | <b>948.27</b>   | <b>551.04</b> | <b>420.65</b> | <b>88.79</b> |
| <b>ASSETS</b>                                |                           |                 |               |               |              |
| <b>Non Current Assets</b>                    |                           |                 |               |               |              |
| a. Fixed Assets                              | -                         | -               | -             | -             | -            |
| i. Tangible Assets                           | 64.61                     | 64.26           | 37.65         | 8.34          | 0.43         |
| ii. Intangible Assets                        | 10.53                     | 10.53           | 10.05         | 10.05         | -            |
| Less: Accumulated Depreciation               | 55.66                     | 49.89           | 31.88         | 4.22          | 0.03         |
| <b>Net Block</b>                             | <b>19.48</b>              | <b>24.90</b>    | <b>15.82</b>  | <b>14.17</b>  | <b>0.40</b>  |
| a. Deferred Tax Assets (Net)                 | 6.68                      | 8.94            | 5.48          | 0.13          | 0.32         |
| b. Non-current Investments                   | 1.50                      | 1.50            | 1.20          | -             | -            |
| c. Long Term Loans & Advances                | 15.01                     | 16.56           | 11.60         | 12.76         | 1.70         |
| d. Other Non Current Assets                  |                           | -               | -             | -             | -            |
| <b>Current Assets</b>                        |                           |                 |               |               |              |
| a. Trade Receivables                         | 868.70                    | 617.78          | 466.34        | 205.38        | 12.52        |
| b. Cash and Cash Equivalents                 | 16.31                     | 64.24           | 4.09          | 0.12          | 0.09         |
| c. Short Term Loans & Advances               | 179.37                    | 197.87          | 25.53         | 180.46        | 73.75        |
| d. Other Current Assets                      | 16.50                     | 16.49           | 20.98         | 7.61          | -            |
| <b>T O T A L</b>                             | <b>1123.55</b>            | <b>948.27</b>   | <b>551.04</b> | <b>420.65</b> | <b>88.79</b> |



**ANNEXURE II: STATEMENT OF PROFIT AND LOSS AS RESTATED**

**Rs in Lakhs**

| Particulars   | For the period ended June 30, 2016 | As at March 31, |               |               |              |
|---|------------------------------------|-----------------|---------------|---------------|--------------|
|   |                                    | 2016            | 2015          | 2014          | 2013         |
| <b>INCOME</b>   |                                    |                 |               |               |              |
| Revenue from Operations   | 436.54                             | 1,112.96        | 550.77        | 226.03        | 47.93        |
| Other Income  | 3.96                               | 14.54           | -             | -             | -            |
| <b>Total Income (A)</b>   | <b>440.50</b>                      | <b>1,127.50</b> | <b>550.77</b> | <b>226.03</b> | <b>47.93</b> |
| <b>EXPENDITURE</b>  |                                    |                 |               |               |              |
| Direct Expenses   | 196.58                             | 451.59          | 102.51        | 81.75         | 19.43        |
| Employee benefit expenses   | 69.48                              | 255.23          | 254.64        | 98.51         | 12.29        |
| Finance costs   | 7.21                               | 14.21           | 9.42          | 0.14          | -            |
| Depreciation and amortisation expense                               | 5.76                               | 20.87           | 27.67         | 4.18          | 0.04         |
| Other Expenses  | 33.87                              | 108.82          | 80.90         | 22.25         | 15.18        |
| <b>Total Expenses (B)</b>   | <b>312.90</b>                      | <b>850.72</b>   | <b>475.14</b> | <b>206.83</b> | <b>46.94</b> |
| <b>Profit before extraordinary items and tax</b>                    | <b>127.60</b>                      | <b>276.78</b>   | <b>75.63</b>  | <b>19.20</b>  | <b>0.99</b>  |
| Prior period items (Net)  | -                                  | -               | -             | -             | -            |
| <b>Profit before exceptional, extraordinary items and tax (A-B)</b> | <b>127.60</b>                      | <b>276.78</b>   | <b>75.63</b>  | <b>19.20</b>  | <b>0.99</b>  |
| Exceptional items   | -                                  | -               | -             | -             | -            |
| <b>Profit before extraordinary items and tax</b>                    | <b>127.60</b>                      | <b>276.78</b>   | <b>75.63</b>  | <b>19.20</b>  | <b>0.99</b>  |
| Extraordinary items   | -                                  | -               | -             | -             | -            |
| <b>Profit before tax</b>  | <b>127.60</b>                      | <b>276.78</b>   | <b>75.63</b>  | <b>19.20</b>  | <b>0.99</b>  |
| <i>Tax expense :</i>  |                                    |                 |               |               |              |
| (i) Current tax   | 42.11                              | 95.76           | 30.06         | 5.33          | 0.62         |
| (ii) Deferred tax   | 2.26                               | (3.47)          | (6.24)        | 1.08          | (0.31)       |
| (iii) MAT Credit  | -                                  | -               | -             | -             | -            |
| <b>Total Tax Expense</b>  | <b>44.37</b>                       | <b>92.29</b>    | <b>23.82</b>  | <b>6.41</b>   | <b>0.31</b>  |
| <b>Profit for the year (D-E)</b>                                    | <b>83.23</b>                       | <b>184.49</b>   | <b>51.81</b>  | <b>12.79</b>  | <b>0.68</b>  |



**ANNEXURE-III: STATEMENT OF CASH FLOW AS RESTATED**

**Rs. In Lakhs**

| Particulars   | For the period ended June 30, 2016 | For the year ended March 31, |                |                 |                |
|---|------------------------------------|------------------------------|----------------|-----------------|----------------|
|   |                                    | 2016                         | 2015           | 2014            | 2013           |
| <b>Cash Flow From Operating Activities:</b>                       |                                    |                              |                |                 |                |
| Net Profit before tax as per Profit And Loss A/c                  | 127.59                             | 276.78                       | 75.62          | 19.19           | 1.00           |
| <b>Adjustments for:</b>   |                                    |                              |                |                 |                |
| Depreciation & Amortisation Expense                               | 5.76                               | 20.87                        | 27.67          | 4.18            | 0.04           |
| Provision for Gratuity  | 1.04                               | 4.71                         | 1.97           | 0.43            | 1.05           |
| Interest Expense  | 7.21                               | 14.09                        | 9.13           | 0.13            | -              |
| Interest Income   | (0.34)                             | (1.67)                       | -              | -               | -              |
| <b>Operating Profit Before Working Capital Changes</b>            | 141.26                             | 314.78                       | 114.39         | 23.93           | 2.09           |
| Adjusted for (Increase)/ Decrease in:                             |                                    |                              |                |                 |                |
| Trade Receivables   | (250.92)                           | (151.44)                     | (260.96)       | (192.86)        | (12.53)        |
| Loans and advances and other assets                               | (22.60)                            | (173.64)                     | 122.88         | (139.25)        | (76.08)        |
| Liabilities & Provisions  | 55.16                              | 87.26                        | (48.75)        | 85.63           | 12.54          |
| <b>Cash Generated From Operations Before Extra-Ordinary Items</b> | (77.10)                            | 76.96                        | (72.44)        | (222.55)        | (73.98)        |
| Add:- Extra-Ordinary Items  |                                    |                              |                |                 |                |
| <b>Cash Generated From Operations</b>                             | (77.10)                            | 76.97                        | (72.44)        | (222.55)        | (73.98)        |
| Net Income Tax paid/ refunded                                     | (10.22)                            | -                            | (1.51)         | -               | -              |
| <b>Net Cash Flow from/(used in) Operating Activities: (A)</b>     | <b>(87.32)</b>                     | <b>76.97</b>                 | <b>(73.95)</b> | <b>(222.55)</b> | <b>(73.98)</b> |
| <b>Cash Flow From Investing Activities:</b>                       |                                    |                              |                |                 |                |
| Purchase of Fixed Assets (including capital work in progress)     | (0.35)                             | (27.09)                      | (29.32)        | (7.91)          | (0.43)         |
| Purchase of Investments   | -                                  | (0.30)                       | (1.20)         | -               | -              |
| Interest Income   | 0.34                               | 1.67                         | -              | -               | -              |
| Loan to Subsidiary  | (0.84)                             | (1.51)                       | -              | -               | -              |
| Loan to Others  | 21.42                              | (21.42)                      | -              | -               | -              |
| <b>Net Cash Flow from/(used in) Investing Activities: (B)</b>     | <b>20.57</b>                       | <b>(48.65)</b>               | <b>(30.52)</b> | <b>(7.91)</b>   | <b>(0.43)</b>  |
| <b>Cash Flow from Financing Activities:</b>                       |                                    |                              |                |                 |                |
| Proceeds From issue of Share Capital                              | -                                  | 142.80                       | -              | 225.70          | 74.50          |
| Share Issue Expenses  | -                                  | (45.15)                      | -              | -               | -              |
| Net Increase/(Decrease) in Borrowings                             | 26.03                              | (51.73)                      | 117.57         | 4.92            | -              |
| Interest paid   | (7.21)                             | (14.09)                      | (9.13)         | (0.13)          | -              |
| <b>Net Cash Flow from/(used in) Financing</b>                     |                                    | <b>31.83</b>                 | <b>108.44</b>  | <b>230.49</b>   | <b>74.50</b>   |



| Particulars  | For the period ended June 30, 2016 | For the year ended March 31, |             |             |             |
|--|------------------------------------|------------------------------|-------------|-------------|-------------|
|  |                                    | 2016                         | 2015        | 2014        | 2013        |
| <b>Activities ( C )</b>                                    | <b>18.82</b>                       |                              |             |             |             |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | (47.93)                            | 60.14                        | 3.97        | 0.03        | 0.09        |
| Cash & Cash Equivalents As At Beginning of the Year        | 64.23                              | 4.09                         | 0.12        | 0.09        | -           |
| Cash & Cash Equivalents As At End of the Year              | <b>16.31</b>                       | <b>64.23</b>                 | <b>4.09</b> | <b>0.12</b> | <b>0.09</b> |



**ANNEXURE I: CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**  
(Rs. In lakhs)

| Particulars                              | As at June 30,<br>2016 | As at March 31, |               |
|--|------------------------|-----------------|---------------|
|  |                        | 2016            | 2015          |
| <b>EQUITY AND LIABILITIES</b>            |                        |                 |               |
| <b>Shareholders Funds</b>                |                        |                 |               |
| a. Share Capital                         | 412.20                 | 412.20          | 300.20        |
| b. Reserves & Surplus                    | 330.12                 | 246.34          | 63.92         |
| Minority Interest                        | -                      | -               | -0.07         |
| <b>Non Current Liabilities</b>           |                        |                 |               |
| a. Long Term Borrowings                  | -                      | -               | -             |
| b. Deferred Tax Liabilities              | -                      | -               | -             |
| c. Other Long Term Liabilities           | -                      | -               | -             |
| c. Long Term Provisions                  | 9.02                   | 8.00            | 3.39          |
| <b>Current Liabilities</b>               |                        |                 |               |
| a. Short Term Borrowings                 | 100.06                 | 75.16           | 123.83        |
| b. Trade Payables                        | 31.79                  | 19.72           | 8.34          |
| c. Other Current Liabilities             | 162.12                 | 121.32          | 45.81         |
| d. Short Term Provisions                 | 80.13                  | 70.06           | 8.63          |
| <b>T O T A L</b>                         | <b>1125.44</b>         | <b>952.80</b>   | <b>554.05</b> |
| <b>ASSETS</b>                            |                        |                 |               |
| <b>Non Current Assets</b>                |                        |                 |               |
| a. Fixed Assets                          | -                      | -               | -             |
| i. Tangible Assets                       | 64.61                  | 64.89           | 38.28         |
| ii. Intangible Assets                    | 10.90                  | 12.87           | 12.02         |
| Less: Accumulated Depreciation           | 55.63                  | 51.02           | 32.22         |
| iii. Intangible Assets under development | -                      | -               | -             |
| iv. Capital Work in Progress             | -                      | -               | -             |
| <b>Net Block</b>                         | <b>19.88</b>           | <b>26.74</b>    | <b>18.08</b>  |
| b. Deferred Tax Assets (Net)             | 6.68                   | 8.92            | 5.39          |
| c. Non-current Investments               | -                      | -               | -             |
| d. Long Term Loans & Advances            | 15.01                  | 16.56           | 11.60         |
| e. Other Non Current Assets              | -                      | -               | -             |
| <b>Current Assets</b>                    |                        |                 |               |
| a. Current Investment                    | -                      | -               | -             |
| a. Inventories                           | -                      | -               | -             |
| b. Trade Receivables                     | 872.38                 | 621.46          | 468.34        |
| c. Cash and Cash Equivalents             | 16.78                  | 65.06           | 5.40          |
| d. Short Term Loans & Advances           | 177.00                 | 196.36          | 23.88         |
| e. Other Current Assets                  | 17.71                  | 17.70           | 21.36         |
| <b>T O T A L</b>                         | <b>1125.44</b>         | <b>952.80</b>   | <b>554.05</b> |



**ANNEXURE II: CONSOLIDATED STATEMENT OF PROFIT AND LOSS AS RESTATED**

**Rs In Lakhs**

| Particulars   | For the period ended<br>June 30, 2016 | As at March 31, |               |
|---|---------------------------------------|-----------------|---------------|
|   |                                       | 2016            | 2015          |
| <b>INCOME</b>   |                                       |                 |               |
| Revenue from Operations   | 436.54                                | 1,116.61        | 552.81        |
| Other Income  | 5.09                                  | 14.64           | -             |
| <b>Total Income (A)</b>   | <b>441.63</b>                         | <b>1,131.25</b> | <b>552.81</b> |
| <b>EXPENDITURE</b>  |                                       |                 |               |
| Direct Expenses   | 196.58                                | 453.55          | 103.26        |
| Employee benefit expenses   | 69.48                                 | 257.22          | 254.64        |
| Finance costs   | 7.22                                  | 14.21           | 9.42          |
| Depreciation and amortisation expense                               | 5.76                                  | 21.74           | 28.08         |
| Other Expenses  | 34.23                                 | 109.88          | 83.42         |
| <b>Total Expenses (B)</b>   | <b>313.27</b>                         | <b>856.60</b>   | <b>478.82</b> |
| <b>Profit before extraordinary items and tax</b>                    | <b>128.36</b>                         | <b>274.65</b>   | <b>73.99</b>  |
| Prior period items (Net)  | -                                     | -               | -             |
| <b>Profit before exceptional, extraordinary items and tax (A-B)</b> | <b>128.36</b>                         | <b>274.65</b>   | <b>73.99</b>  |
| Exceptional items   | -                                     | -               | -             |
| <b>Profit before extraordinary items and tax</b>                    | <b>128.36</b>                         | <b>274.65</b>   | <b>73.99</b>  |
| Extraordinary items   | -                                     | -               | -             |
| <b>Profit before tax</b>  | <b>128.36</b>                         | <b>274.65</b>   | <b>73.99</b>  |
| <i>Tax expense :</i>  |                                       |                 |               |
| (i) Current tax   | 42.35                                 | 95.76           | 30.06         |
| (ii) Deferred tax   | 2.24                                  | (3.53)          | (6.16)        |
| (iii) MAT Credit  |                                       |                 | -             |
| <b>Total Tax Expense</b>  | <b>44.59</b>                          | <b>92.23</b>    | <b>23.90</b>  |
| <b>Profit for the year (D-E)</b>                                    | <b>83.77</b>                          | <b>182.42</b>   | <b>50.09</b>  |
| <b>Minority Interest</b>  | -                                     | -               | (0.37)        |
| Profit After Minority Interest                                      | 83.77                                 | 182.42          | 50.46         |





**ANNEXURE III: CONSOLIDATED STATEMENT OF CASH FLOW AS RESTATED**

|   | For the period ended June 30, 2016 | For the year ended March 31, |                |
|---|------------------------------------|------------------------------|----------------|
|   |                                    | 2016                         | 2015           |
| <b>Cash Flow From Operating Activities:</b>                       |                                    |                              |                |
| Net Profit before tax as per Profit And Loss A/c                  | 128.37                             | 274.65                       | 73.98          |
| <b>Adjustments for:</b>   |                                    |                              |                |
| Depreciation & Amortisation Expense                               | 5.76                               | 21.74                        | 28.08          |
| Provision for Gratuity  | 1.04                               | 4.71                         | 1.96           |
| Interest Expense  | 7.22                               | 13.57                        | 6.24           |
| Interest Income   | (0.34)                             | (1.67)                       | -              |
| Profit on Sale of Fixed Assets                                    | (1.13)                             | -                            | -              |
| <b>Operating Profit Before Working Capital Changes</b>            | <b>140.92</b>                      | <b>313.00</b>                | <b>110.26</b>  |
| Adjusted for (Increase)/ Decrease in:                             |                                    |                              |                |
| Trade Receivables   | (250.92)                           | (153.12)                     | (262.95)       |
| Loans and advances and other assets                               | (22.60)                            | (175.68)                     | 122.73         |
| Liabilities & Provisions  | 52.87                              | 86.88                        | (42.52)        |
| <b>Cash Generated From Operations Before Extra-Ordinary Items</b> | <b>(79.73)</b>                     | <b>71.08</b>                 | <b>(72.48)</b> |
| Add:- Extra-Ordinary Items  |                                    | -                            | -              |
| <b>Cash Generated From Operations</b>                             | <b>(79.73)</b>                     | <b>71.08</b>                 | <b>(72.48)</b> |
| Net Income Tax paid/ refunded                                     | (10.22)                            | -                            | (1.51)         |
| <b>Net Cash Flow from/(used in) Operating Activities: (A)</b>     | <b>(89.95)</b>                     | <b>71.08</b>                 | <b>(73.99)</b> |
| <b>Cash Flow From Investing Activities:</b>                       |                                    |                              |                |
| Purchase of Fixed Assets (including capital work in progress)     | (0.35)                             | (27.09)                      | (31.91)        |
| Sale of Fixed Assets  | 2.59                               | -                            | -              |
| Purchase of Investments   | -                                  | -                            | -              |
| Interest Income   | 0.34                               | 1.67                         | -              |
| Loan to Others  | 21.42                              | (21.42)                      | -              |
| <b>Net Cash Flow from/(used in) Investing Activities: (B)</b>     | <b>24.00</b>                       | <b>(46.84)</b>               | <b>(31.91)</b> |
| <b>Cash Flow from Financing Activities:</b>                       |                                    |                              |                |
| Proceeds From issue of Share Capital                              | -                                  | 142.80                       | -              |
| Share Issue Expenses  | -                                  | (45.15)                      | -              |
| Net Increase/(Decrease) in Borrowings                             | 24.89                              | (48.66)                      | 118.91         |
| Interest paid   | (7.22)                             | (13.57)                      | (6.24)         |
| <b>Net Cash Flow from/(used in) Financing Activities ( C)</b>     | <b>17.67</b>                       | <b>35.42</b>                 | <b>112.67</b>  |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)        | (48.28)                            | 59.67                        | 5.28           |
| Cash & Cash Equivalents As At Beginning of the Year               | 65.06                              | 5.40                         | 0.12           |
| Cash & Cash Equivalents As At End of the Year                     | <b>16.78</b>                       | <b>65.06</b>                 | <b>5.40</b>    |



## THE ISSUE

The following table summarizes the Issue details:

| PARTICULARS                                    | DETAILS OF EQUITY SHARES   |
|--|--|
| Issue  | Up to [●] Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●] /- per Equity share aggregating up to Rs. 1000.00 Lakhs   |
| <b><i>The Issue consists of:</i></b>           |  |
| Market Maker Reservation Portion#              | [●] Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●] /- per Equity share aggregating up to Rs. [●] Lakhs   |
| Net Issue to the Public                        | [●] Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at a price of Rs. [●] /- per share aggregating up to Rs. [●] Lakhs   |
|  | <b><i>Of which</i></b>   |
|  | [●] Equity Shares of face value of Rs. 10/- each fully paid of the Company at a cash price of Rs. [●]/- per Equity share aggregating Rs. [●] Lakhs will be available for allocation to Investors up to Rs. 2.00 Lakhs      |
|  | [●] Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of [●] /- per Equity Share aggregating up to Rs. [●] lakhs will be available for allocation to investors above Rs. 2.00 Lakhs |
| <b><i>Pre and Post Issue Equity Shares</i></b> |  |
| Equity Shares outstanding prior to the Issue   | 41,22,000 Equity Shares of face value of Rs.10 each  |
| Equity Shares outstanding after the Issue      | [●] Equity Shares of face value of Rs.10 each  |
| Use of proceeds of this Issue                  | For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 95 of this Red Herring Prospectus for information on use of Issue Proceeds.  |

### Notes

- # Market Maker Reservation Portion will be aggregate of 5% of Further Issue proceeds divided by floor price; subject to adjustments of lot size. Further the Market Maker Reservation Portion shall be not less than 5 % of shares issued under the further public issue as required as per regulation 106(V), sub regulation (4) of SEBI (ICDR) Regulations.
- This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. The Issue is being made through the method and hence, as per regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, at least 50% of the Net Issue to public will be available for allocation on a proportionate basis to Retail Individual Applicants, subject to valid Applications being received at the Issue Price. For further details please refer to section titled “Issue Procedure” beginning on page 286 of this Red Herring Prospectus.
- The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 26, 2015 and by the shareholders of our Company by a special resolution through Postal Ballot dated February 08, 2016. Further details please refer to chapter titled “Issue Structure” beginning on page 284 of this Red Herring Prospectus.



## GENERAL INFORMATION

Our Company was originally incorporated as “Majestic Research Services and Solutions Private Limited” at Bengaluru, Karnataka, as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated May 2, 2012 bearing registration number 063818 issued by Registrar of Companies, Karnataka, Bengaluru. Subsequently, our Company was converted in to a public limited company pursuant to Special Resolution passed by the Company at its Extra Ordinary General Meeting held on July 10, 2014 and fresh certificate of incorporation dated August 11, 2014 and the name of our Company was changed to ‘Majestic Research Services and Solutions Limited’. Our Company came out with Initial Public Offer in the year 2015 and got listed to SME exchange of BSE Ltd. on July 16, 2015. The corporate identity number of our Company is L72200KA2012PLC063818. Our registered office is situated at 2<sup>nd</sup> Floor Kalpak Arcade, No. 46/70 Churchstreet, Bengaluru 560001 and our corporate office and regional office are situated at “Trellis”, Plot No.202/203, L.B.S. Marg, Kurla (West), Mumbai – 400070 and C-19, D.D.A Sheds, Okhala Phase-1 New Delhi – 110020 respectively.

Our Company is the subsidiary of Majestic Market Research Support Services Limited also referred hereinafter as the “Parent Company”. Majestic Market Research Support Services Limited, Rajendra Kumar Sharma and Sarang Jayant Panchal are the promoters of our Company. Sandip Bhatia and Naina Krishna Murthy were the initial subscribers to the Memorandum of Association of our Company. Subsequently the shares of Sandip Bhatia were transferred to Rajendra Kumar Sharma, and the shares of Naina Krishna Murthy were transferred to Rajendra Kumar Sharma, Harish Singh, Mani Singh Kalsi, Sarang Jayant Panchal and Sagar Bait.

### REGISTERED, CORPORATE AND REGIONAL OFFICE OF OUR COMPANY

#### **Registered Office:**

#### **Majestic Research Services and Solutions Limited**

Number 46/17, Church Street

Bengaluru – 560 001,

Karnataka, India

**Tel:** +91 80 41757500

**Fax:** +91 80 41757500

**Email:** [info@mrssindia.com](mailto:info@mrssindia.com)

**Website:** [www.mrssindia.com](http://www.mrssindia.com)

#### **Corporate Office:**

#### **Mumbai**

Office No. 601 & 701, Trellis, Plot No. 202/203,

LBS Marg, Near Asha Petrol Pump, Kurla (West)

Mumbai – 400070

**Tel:** +91 022 26502751\52

**Fax:** NA

**Email:** [info@mrssindia.com](mailto:info@mrssindia.com)

#### **Regional Office:**

#### **New Delhi**

C-19, D.D.A Sheds, Okhala Phase-1 New Delhi – 110020

**Tel:** +91 011 26814481

**Fax:** NA

**Email:** [info@mrssindia.com](mailto:info@mrssindia.com)



## REGISTRAR OF COMPANIES

### Registrar of Companies, Bengaluru, Karnataka

“E” wing, 2nd Floor, Kendriya Sadana  
Koramangala, Bengaluru – 560034, Karnataka

## DESIGNATED STOCK EXCHANGE

### SME Platform of BSE Limited

P. J Towers, Dalal Street,  
Mumbai, Maharashtra, 400001

For details in relation to the changes to the name of our Company, please refer to the chapter titled, “*Our History and Certain Other Corporate Matters*” beginning on page 150 of this Red Herring Prospectus.

## BOARD OF DIRECTORS OF OUR COMPANY

| Sr.No. | Name                     | Age | DIN      | Address  | Designation                         |
|--------|--------------------------|-----|----------|--|-------------------------------------|
| 1.     | Sarang Jayant Panchal    | 55  | 00046744 | 902, 9th floor, planet Godrej, tower-4, Starata CHS, K.K.Marg, Mahalaxmi, Mumbai-400011                              | Managing Director                   |
| 2.     | Rajendra Kumar Sharma    | 43  | 06879460 | Plot no. 139/B, Sindhi Soc., Opp. Bhakti Bhavan, Chembur, Mumbai, 400071, Maharashtra, India.                        | Chairman, Whole time Director & CFO |
| 3.     | Rupesh Pandurang Bhujbal | 56  | 06943207 | 604 - A Luv Kush Towers, Sindhi Society, Chembur, Mumbai, 400071, Maharashtra, India                                 | Independent Director                |
| 4.     | Priamvada Princeton      | 33  | 06895069 | No. D-2, Samhita Castle, Old Varthur Road, Nagawarapalya, C.V. Raman Nagar post, Bengaluru, 560008, Karnataka, India | Independent Director                |
| 5.     | Rajesh Dharambir Oberoi  | 46  | 07187991 | A-11, Refinery View CHS, R C Marg., Maroli Church, Near Ashish Theater, Chembur, Mumbai, 400074                      | Independent Director                |

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 158 of this Red Herring Prospectus.

## COMPANY SECRETARY & COMPLIANCE OFFICER

### Sonali Gamne

#### Majestic Research Services and Solutions Limited

Office No. 601 & 701, Trellis, Plot No. 202/203,  
LBS Marg, Near Asha Petrol Pump, Kurla West  
Mumbai – 400070

**Tel:** +91 022 26502751\52

**Fax:** NA



**Email:**investors@mrssindia.com

### **CHIEF FINANCIAL OFFICER**

**Rajendra Kumar Sharma**

**Majestic Research Services and Solutions Limited**

Office No. 601 & 701, Trellis, Plot No. 202/203,  
LBS Marg, Near Asha Petrol Pump, Kurla West  
Mumbai – 400070

**Tel:** +91 022 26502751\52

**Fax:** NA

**Email:**cfo@mrssindia.com

**Website:**[www.mrssindia.com](http://www.mrssindia.com)

**Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and/or the Book Running Lead Manager, in case of any pre-further Issue or post-further Issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or unblocking of ASBA Account etc.**

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

### **STATUTORY AUDITOR AND PEER REVIEWED AUDITOR**

**M/s. R.T. Jain & Co.**

Chartered Accountants

2nd Floor, Lotus Building,

59, Mohammed Ali Road,

Mumbai – 400 003

**Tel:** +91 022 23465218

**Fax:** + 91 022 23464955

**E-Mail:** [brjain@rtjainandco.com](mailto:brjain@rtjainandco.com)

**Contact Person:** Bankim Jain

**Firm Registration No:**103961W

M/s. R.T. Jain & Co. Chartered Accountants holds a peer reviewed certificate dated September 20, 2011, issued by the Institute of Chartered Accountants of India.

### **BOOK RUNNING LEAD MANAGER**

**Pantomath Capital Advisors Private Limited**

406-408, Keshava Premises, Behind Family Court

Bandra Kurla Complex, Bandra (East)

Mumbai - 400051

**Tel. No.:** +91 022 6194 6725



**Fax No.:** +91 022 2659 8690  
**Email:** ipo@pantomathgroup.com  
**Website:** www.pantomathgroup.com  
**Contact Person** – Saahil Kinkhabwala  
**SEBI Registration No.:** INM000012110

#### REGISTRAR TO THE ISSUE

**Bigshare Services Private Limited**  
E/2, Ansa Industrial Estate, Sakivihar Road,  
Sakinaka, Andheri East, Mumbai – 400 072  
**Tel:** +91 022 4043 0200  
**Fax:** +91 022 2847 5207  
**Email:** ipo@bigshareonline.com  
**Website:** www.bigshareonline.com  
**Contact Person:** Babu Raphael  
**SEBI Registration Number:** INR000001385  
**Investor Grievance E-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

#### LEGAL ADVISOR TO THE ISSUE

**M V Kini, Law Firm**  
Kini House, 6/39 Jangpura-B,  
New Delhi- 110014  
**Tel:** +91 011 2437 1038/ 39/ 40  
**Fax:** +91 011 2437 9484  
**E-mail:** [vidisha@mvkini.com](mailto:vidisha@mvkini.com)  
**Contact Person:** Vidisha Krishan  
**Website:** [www.mvkini.com](http://www.mvkini.com)

#### BANKERS TO THE COMPANY

**Axis Bank Limited**  
BKC Branch, Fortune – 2000,  
“C” Wing Ground Floor,  
Bandra-Kurla Complex, Bandra East  
Mumbai – 400051  
**Tel:** +91 022 61483101  
**Fax:** +91 022 61483119  
**Email:** [bkc.branchhead@axisbank.com](mailto:bkc.branchhead@axisbank.com)  
**Contact Person:** Sreekumar Nair

**HDFC Bank Limited**  
GR.Floor, Mayflower CHS Ltd.  
Opp. Mukund Steel, LBS Marg Kurla(West)  
Mumbai-400070  
**Tel:** +91 022 25042866  
**Fax:** N.A  
**Email:** [deepak.sahu@hdfcbank.com](mailto:deepak.sahu@hdfcbank.com)  
**Website:** [www.hdfcbank.com](http://www.hdfcbank.com)  
**Contact Person:** Deepak Sahu



**ICICI Bank Limited**

Zehra Manzil, 91 lady jamshedji road

Next to paradise cinema, Mahim

Mumbai-400016

Tel: +91 022 24556146

Fax: +91 022 24556146

Email: [rohit.srivastav@icicibank.com](mailto:rohit.srivastav@icicibank.com)

Website: [www.icicibank.com](http://www.icicibank.com)

Contact Person: Rohit Srivastav

**PUBLIC ISSUE BANK/ BANKER TO THE ISSUE AND REFUND BANKER****ICICI Bank Limited**

Capital Market Division,

1<sup>st</sup> Floor, 122, Mistry Bhavan,

Dinshaw Vachha Road, Backbay Reclamation

Churchgate, Mumbai – 400 020

Tel: +91 022 22859922

Fax: +91 022 22611138

Email: [rishav.bagrecha@icicibank.com](mailto:rishav.bagrecha@icicibank.com)

Contact Person: Rishav Bagrecha

Website: [www.icicibank.com](http://www.icicibank.com)

SEBI Registration Number: INBI00000004

**SYNDICATE MEMBERS****Choice Equity Broking Private Limited**

Shree Shakambhari Corporate Park, Plot No. 156

158, Chakravarti Ashok Society, J.B.Nagar,

Andheri (E), Mumbai – 400 099

Tel: +91 22 67079999

Fax: +91 22 67079898

Email: [sme@choiceindia.com](mailto:sme@choiceindia.com)

Website: [www.choiceindia.com](http://www.choiceindia.com)

Contact Person: Premkumar Harikrishnan

**Nirmal Bang Securities Private Limited**

38B, Khatau Bldg, 2nd floor, Alkesh Dinesh

Mody

Marg, Fort, Mumbai -400023

Tel: +91 22 39269050

Fax: +91 22 39269010

Email: [jignesh.shah@nirmalbang.com](mailto:jignesh.shah@nirmalbang.com)

Website: [www.nirmalbang.com](http://www.nirmalbang.com)

Contact Person: Jignesh Shah

**SELF CERTIFIED SYNDICATE BANKS**

The list of 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> or such other websites as updated from time to time. For details of the Designated Branches which shall collect Bid cum Application Forms from the ASBA Bidders and Designated Intermediaries, please refer to the above-mentioned link.

**Registered Brokers**

Bidders can submit Bid cum Application Forms in the Issue using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the National Stock Exchange of India, as updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Bid cum



Application Forms from the Registered Brokers will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

### **Registrar to Issue and Share Transfer Agents**

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at National Stock Exchange India Limited, as updated from time to time.

### **Collecting Depository Participants**

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at National Stock Exchange India Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

## **INTER SE ALLOCATION OF RESPONSIBILITIES**

Since Pantomath Capital Advisors Private Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

## **CREDIT RATING**

This being an issue of Equity Shares, credit rating is not required.

## **APPRAISAL AND MONITORING AGENCY**

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50,000 Lakhs. Since the Issue size is only up to Rs. 1000.00 lakhs, our Company has not appointed any monitoring agency for this Issue. No appraising entity has been appointed in respect of objects of the issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

## **EXPERT OPINION**

M/s. R.T Jain & Co. Chartered Accountants, have provided their written consent for the inclusion of the report on the restated consolidated and standalone financial statements in the form and context in which it will appear in this Red Herring Prospectus /Red Herring Prospectus and Prospectus and the statement of tax benefits included on page 106, and to be named as an expert in relation hereto, and such consent has not been withdrawn at the time of delivery of this Red Herring Prospectus to Stock Exchange. Except the report of the Peer Reviewed Auditor our Company has not obtained any other expert opinion.

## **BOOK BUILDING PROCESS AND PRICE DISCOVERY PROCESS**

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of a widely circulated English Newspaper Business Standard, all editions of a widely circulated Hindi Newspaper Business Standard and a widely circulated Kannada Newspaper Kannada Prabha, Kannada being the regional language of Karnataka, where our registered office is situated at least one working days prior to the Bid/ Issue Opening date. The Issue Price shall be



determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process. Principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Manager in this case being Pantomath Capital Advisors Private Limited,
- The Registrar to the Issue and;
- The Designated Intermediaries

All Bidders (excluding Anchor Investors) can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process. In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bids prior to the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Except Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Issue will be on a proportionate basis. In case of over subscription in Retail Category it will be through drawal of lots and in terms of SEBI (ICDR) Regulations. We will comply with the SEBI (ICDR) Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, we have appointed Pantomath Capital Advisors Private Limited as the Book Running Lead Manager, respectively to manage the Issue and procure subscriptions to the Issue.

The process of Book Building under the SEBI (ICDR) Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 286 of this Red Herring Prospectus

**Illustration of Book Building and Price Discovery Process** (Investors should note that this example is solely for illustrative purposes and is not specific to the Issue) Bidders can bid at any price within the price band. For instance, assume a price band of Rs.20 to Rs.24 per equity share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

| Bid Quantity | Bid Price (Rs.) | Cumulative Bid 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 shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The issuer, in consultation with the Book Running Lead Manager will finalize the issue price at or below such cut-off price, i.e., at or below Rs.22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

**Steps to be taken by the Bidders for Bidding:**

1. Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 286 of this Red Herring Prospectus);



2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims

Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

### **BID / ISSUE PROGRAMME**

An indicative timetable in respect of the Issue is set out below:

| <b>Event</b>  | <b>Indicative Date</b> |
|---|------------------------|
| Bid/ Issue Opening Date   | November 28, 2016      |
| Bid/ Issue Closing Date   | December 05, 2016      |
| Finalization of Basis of Allotment with the Designated Stock Exchange | December 08, 2016      |
| Initiation of Refunds   | December 08, 2016      |
| Credit of Equity Shares to Demat Accounts of Allottees                | December 09, 2016      |
| Commencement of trading of the Equity Shares on the Stock Exchange    | December 14, 2016      |

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Bids and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Non Retail Bidders shall not be allowed to either withdraw or lower the size of their Bid at any stage. Non Retail Bidders may revise their Bids upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.



In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

### DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

### UNDERWRITER

Our Company and Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated September 27, 2016 and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.

| Name and Address of the Underwriter  | Indicative Number of Equity shares to be Underwritten | Amount Underwritten (Rupees In Lakhs) | % of the Total Issue Size Underwritten |
|--|---|---------------------------------------|--|
| <b>Pantomath Capital Advisors Private Limited</b><br>406-408, Keshava Premises, Behind Family Court<br>Bandra Kurla Complex, Bandra (East)<br>Mumbai - 400051<br><b>Tel. No.:</b> +91 022 6194 6725<br><b>Fax No.:</b> +91 022 2659 8690<br><b>Email:</b> ipo@pantomathgroup.com<br><b>Website:</b> www.pantomathgroup.com<br><b>Contact Person</b> – Saahil Kinkhabwala<br><b>SEBI Registration No.:</b> INM000012110 | [●]   | 1000.00                               | 100                                    |
| <b>Total</b>   | [●]   | 1000.00                               | 100                                    |

In the opinion of the Board of Directors of the Company, the resources of the above mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

### DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Lead Manager have entered into a separate tripartite agreement dated October 19, 2016 with the following Market Maker to fulfill the obligations of Market Making under FPO.

#### **Pantomath Stock Brokers Private Limited**

406-408, Keshava Premises, Behind Family Court

Bandra Kurla Complex, Bandra East

Mumbai – 400 051

**Tel:** +91 22 61946725

**Fax:** +91 22 26598690

**E-mail:** [broking@pantomathgroup.com](mailto:broking@pantomathgroup.com)



**Website:** [www.pantomathbroking.com](http://www.pantomathbroking.com)

**Contact Person:** Mahavir Toshniwal

**SEBI Registration No.:** INZ000068338

Pantomath Stock Brokers Private Limited, registered with SME segment of BSE will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for the remaining period of three years from the initial listing of our Equity Shares offered under IPO or for a period as may be notified by any amendment to SEBI (ICDR) Regulations. Needless to mention market making will not be required on migration to Main Board.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by BSE and SEBI in 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 Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 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. Based on the FPO price of [●] /- the minimum lot size is [●] Shares thus minimum depth of the quote shall be [●] until the same, would be revised by BSE.
3. The Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of the shares issued under IPO and FPO (including the [●] Equity Shares out to be allotted under this Issue). Further any Equity Shares allotted to Market Maker under this Issue over and above 15% of Equity Shares issued under FPO would not be taken in to consideration of computing the threshold of 25% of the shares issued under IPO and FPO. As soon as the Shares of Market Maker in our Company reduce to 24% of the shares issued under IPO and FPO, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.
7. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be





applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

9. The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, 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 Book Running Lead Manager to arrange for another Market Maker(s) 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. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) 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 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

10. BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
11. 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(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

12. 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:

| <b>Issue size</b>            | <b>Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)</b> | <b>Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)</b> |
|------------------------------|--|---|
| Up to Rs. 20 Crore           | 25%  | 24%   |
| Rs. 20 crore to Rs. 50 crore | 20%  | 19%   |
| Rs. 50 to Rs. 80 crore       | 15%  | 14%   |
| Above Rs. 80 crore           | 12%  | 11%   |

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/BSE from time to time.



## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Red Herring Prospectus and after giving effect to the issue is set forth below:

*Amount (Rs.in lakhs except share data)*

| No.       | Particulars   | Aggregate nominal value | Aggregate value at Issue Price |
|-----------|---|-------------------------|--------------------------------|
| <b>A.</b> | <b>Authorised Share Capital</b>   |                         |                                |
|           | 1,50,00,000 Equity Shares of face value of Rs. 10/- each  | 1,500.00                |                                |
| <b>B.</b> | <b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>  |                         |                                |
|           | 41,22,000 Equity Shares of face value of Rs. 10/- each  | 412.20                  |                                |
| <b>C.</b> | <b>Present Issue in terms of this Red Herring Prospectus</b>  |                         |                                |
|           | Issue of [●] Equity Shares of face value of Rs.10 each at a price of Rs. [●]/- per Equity Share aggregating up to 1000 Lakhs  | [●]                     | Up to 1000.00 lakhs            |
|           | <b>Consisting:</b>  | [●]                     | [●]                            |
|           | <b>Reservation for Market Maker</b> – [●] Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. [●]/- per Equity Share  | [●]                     | [●]                            |
|           | <b>Net Issue to the Public</b> – [●] Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share  | [●]                     | [●]                            |
|           | <b>Of the Net Issue to the Public</b>   | [●]                     | [●]                            |
|           | <b>Allocation to Retail Individual Investors</b> – [●] Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 lakhs             | [●]                     | [●]                            |
|           | <b>Allocation to Other than Retail Individual Investors</b> – [●] Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share shall be available for allocation for Investors applying for a value of above Rs. 2 lakhs | [●]                     | [●]                            |
| <b>D.</b> | <b>Issued, Subscribed and Paid-Up Share Capital after the Issue</b>   |                         |                                |
|           | [●] Equity Shares of face value of Rs. 10/- each  | [●]                     |                                |
| <b>E.</b> | <b>Securities Premium Account</b>   |                         |                                |
|           | Before the Issue  |                         | Nil                            |
|           | After the Issue   |                         | [●]                            |

The Issue has been authorised by the Board of Directors of our Company *vide* a resolution passed at its meeting held on December 26, 2015 and by the shareholders of our company *vide* a Special Resolution passed pursuant to Postal Ballot held on February 08, 2016.

The Company has one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Red Herring Prospectus.



## NOTES TO THE CAPITAL STRUCTURE

### 1. Details of changes 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 |
|---|---|-------------------------------|-----------|
| Increased From  | Increased To  |                               |           |
| Rs. 50,00,000 consisting of 5,00,000 Equity shares of Rs. 10 each     |   | On Incorporation              | -         |
| Rs.50,00,000 consisting of 5,00,000 Equity shares of Rs. 10 each.     | Rs. 1,00,00,000 consisting of 10,00,000 Equity shares of Rs. 10 each      | March 12, 2013                | EGM       |
| Rs. 1,00,00,000 consisting of 10,00,000 Equity shares of Rs. 10 each  | Rs. 4,50,00,000 consisting of 45,00,000 Equity shares of Rs. 10 each.     | July 1, 2013                  | EGM       |
| Rs. 4,50,00,000 consisting of 45,00,000 Equity shares of Rs. 10 each. | Rs. 15,00,00,000 consisting of 1,50,00,000 Equity shares of Rs. 10 each.. | September 28, 2015            | AGM       |

### 2. History of Equity Share Capital of our Company

| Date of Allotment | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.)0 | Nature of consideration | Nature of Allotment                                      | Cumulative no. of Equity Shares | Cumulative Paid -up Capital (Rs.) |
|-------------------|-------------------------------|------------------|--------------------|-------------------------|--|---------------------------------|-----------------------------------|
| May 02, 2012      | 10,000                        | 10               | 10                 | Cash                    | Subscription to Memorandum of Association <sup>(i)</sup> | 10,000                          | 100,000                           |
| March 15, 2013    | 735,000                       | 10               | 10                 | Cash                    | Further Allotment <sup>(ii)</sup>                        | 745,000                         | 7,450,000                         |
| June 20, 2013     | 47,500                        | 10               | 10                 | Cash                    | Further Allotment <sup>(iii)</sup>                       | 792,500                         | 7,925,000                         |
| August 01, 2013   | 1,08,700                      | 10               | 10                 | Cash                    | Further Allotment <sup>(iv)</sup>                        | 901,200                         | 9,012,000                         |
| March 28, 2014    | 21,00,800                     | 10               | 10                 | Cash                    | Further Allotment <sup>(v)</sup>                         | 30,02,000                       | 30,020,000                        |
| July 14, 2015     | 11,20,000                     | 10               | 12.75              | Cash                    | Initial Public Issue <sup>(vi)</sup>                     | 41,22,000                       | 4,12,20,000                       |

#### Notes:

(i) Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

| Sr. No | Name of Person        | No. of Shares Allotted |
|--------|-----------------------|------------------------|
| 1      | Sandip Bhatia*        | 9,000                  |
| 2      | Naina Krishna Murthy* | 1,000                  |



| Sr. No | Name of Person | No. of Shares Allotted |
|--------|----------------|------------------------|
|        | <b>Total</b>   | <b>10,000</b>          |

*\*Subsequently the shares of Sandip Bhatia were transferred to Rajendra Kumar Sharma, and the shares of Naina Krishna Murthy were transferred to Rajendra Kumar Sharma, Harish Singh, Mani Singh Kalsi, Sarang Jayant Panchal and Sagar Bait on July 9, 2014*

(ii) Further allotment of 735,000 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|--------|----------------|------------------------|
| 1      | Sandip Bhatia* | 7,35,000               |
|        | <b>Total</b>   | <b>7,35,000</b>        |

*\*Subsequently the shares of Sandip Bhatia were transferred to Rajendra Kumar Sharma on July 9, 2014.*

(iii) Further allotment of 47,500 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

| Sr. No | Name of Person                                    | No. of Shares Allotted |
|--------|---|------------------------|
| 1      | Majestic Market Research Support Services Limited | 47,500                 |
|        | <b>Total</b>                                      | <b>47,500</b>          |

(iv) Further allotment of 1,08,700 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

| Sr. No | Name of Person                                    | No. of Shares Allotted |
|--------|---|------------------------|
| 1      | Majestic Market Research Support Services Limited | 1,08,700               |
|        | <b>Total</b>                                      | <b>1,08,700</b>        |

(v) Further allotment of 21,00,800 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

| Sr. No | Name of Person                                    | No. of Shares Allotted |
|--------|---|------------------------|
| 2      | Majestic Market Research Support Services Limited | 19,31,300              |
| 3      | Sandip Bhatia                                     | 1,69,500               |
|        | <b>Total</b>                                      | <b>21,00,800</b>       |

(vi) Our Company has allotted 11,20,000 Equity shares pursuant to Initial Public offer of our Company.

3. We have not issued any Equity Shares for consideration other than cash since incorporation.
4. No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.
5. Our Company has not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. We have not issued any shares at price below Issue Price within last one year from the date of this Red Herring Prospectus:-



## 7. Build-up of Promoters' shareholding, Promoters' contribution and lock-in

### i. Build Up of Promoters' shareholdings

As on the date of this Red Herring Prospectus, our Promoters Majestic Market Research Support Services Limited, Rajendra Kumar Sharma and Sarang Jayant Panchal together holds 30,01,996 Equity Shares of our Company. None of the Equity shares held by our Promoters are subject to any pledge.

#### a. Majestic Market Support Services Limited

| Date of Allotment / Transfer | Date when made fully paid up | No. of Equity Shares | Face value per Share (Rs.) | Issue / Acquisition / Transfer price (Rs.)* | Nature of Transactions | Pre-issue shareholding % | Post- issue shareholding % | Lock-in Period | Source of funds   |
|------------------------------|------------------------------|----------------------|----------------------------|---|------------------------|--------------------------|----------------------------|----------------|-------------------|
| June 20, 2014                | June 20, 2014                | 47,500               | 10                         | 10  | Further Allotment      | 1.15%                    | [●]                        | [●]            | Internal accruals |
| August 1, 2014               | August 1, 2014               | 1,08,700             | 10                         | 10  | Further Allotment      | 2.64%                    | [●]                        | [●]            | Internal accruals |
| March 28, 2014               | March 28, 2014               | 7,09,420             | 10                         | 10  | Further Allotment      | 17.21%                   | [●]                        | [●]            | Internal accruals |
| March 28, 2014               | March 28, 2014               | 12,21,880            | 10                         | 10  | Further Allotment      | 29.64%                   | [●]                        | [●]            | Internal accruals |
| <b>Total</b>                 |                              | <b>20,87,500</b>     |                            |   |                        | <b>50.64%</b>            | [●]                        | [●]            |                   |

Out of total shares, 193862 equity shares of MMRSS were pledged in the month in October, 2015

\*Cost of acquisition excludes Stamp Duty.



**b. Rajendra Kumar Sharma**

| Date of Allotment / Transfer | Date when made fully paid up | No. of Equity Shares | Face value per Share (Rs.) | Issue / Acquisition / Transfer price (Rs.)* | Nature of Transactions | Pre-issue shareholding % | Post- issue shareholding % | Lock-in Period | Source of funds  | Pledge |
|------------------------------|------------------------------|----------------------|----------------------------|---|------------------------|--------------------------|----------------------------|----------------|--|--------|
| July 9, 2014                 | July 9, 2014                 | 9,14,495             | 10                         | 10  | Transfer               | 22.19%                   | [●]                        | Nil            | Savings (Rs.44,950) and unsecured borrowings (91,00,000) | No     |
| <b>Total</b>                 |                              | <b>9,14,495</b>      |                            |   |                        | <b>22.19%</b>            | <b>[●]</b>                 | Nil            |  |        |

\*Cost of acquisition excludes Stamp Duty.

**c. Sarang Jayant Panchal**

| Date of Allotment / Transfer | Date when made fully paid up | No. of Equity Shares | Face value per Share (Rs.) | Issue / Acquisition / Transfer price (Rs.)* | Nature of Transactions | Pre-issue shareholding % | Post- issue shareholding % | Lock-in Period | Source of funds   | Pledge |
|------------------------------|------------------------------|----------------------|----------------------------|---|------------------------|--------------------------|----------------------------|----------------|-------------------|--------|
| July 9, 2014                 | July 9, 2014                 | 1                    | 10                         | 10  | Transfer               | 0.00                     | [●]                        | Nil            | Internal accruals | No     |
| <b>Total</b>                 |                              | <b>1</b>             |                            |   |                        | <b>0.00</b>              | <b>[●]</b>                 | Nil            |                   | No     |

\*Cost of acquisition excludes Stamp Duty





ii. Details of Promoter’s Contribution locked in for three years:

An aggregate of 20% of the post Issue capital, as determined after the book building process, held by our Promoter shall be considered as promoter’s contribution (“**Promoter’s Contribution**”) and locked-in for a period of three years from the date of Allotment.

Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed either from their personal funds or from financial assistance.

The lock-in of the Promoter’s Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchanges before trading of the Equity Shares.

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

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters’ Contribution constituting [●]% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

| Name of the Promoter                              | Date of Allotment/ made fully paid up | No. of Shares Allotted/ Transferred | Face Value | Issue Price | Nature of Allotment | % of Post Issue shareholding | Lock in Period |
|---|---------------------------------------|-------------------------------------|------------|-------------|---------------------|------------------------------|----------------|
| Majestic Market Research Support Services Limited | [●]                                   | [●]                                 | 10         | [●]         | Further Allotment   | [●]                          | 3Years         |
|   | <b>Total</b>                          |                                     |            |             |                     |                              |                |

\*865,620 shares are already locked in for a period of 3 years till July 13, 2018 and thus these shares alongwith additional [●] shares will be locked in for a period of 3 years from the date of allotment or such other period as under SEBI Regulations.

The minimum Promoters’ contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as ‘promoter’ under the SEBI ICDR Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters’ contribution in terms of Regulation 33 of the SEBI ICDR Regulations. In connection, we confirm the following:

- a) The Equity Shares offered for minimum 20% Promoters’ contribution have not been acquired in the three years preceding the date of this Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters’ contribution;
- b) The minimum Promoters’ contribution does not include Equity Shares acquired during the one year preceding the date of this Red Herring Prospectus at a price lower than the Issue Price;
- c) Our Company has not been formed by the conversion of a partnership firm into a company and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm;



- d) The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- e) All the Equity Shares of our Company held by the Promoter are in the process of dematerialised ; and
- f) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.
- g) Details of Equity Shares locked in for one year:

The post-Offer shareholding of our Promoter, in our Company, i.e., an aggregate of [●] Equity Shares, shall be locked-in for a period of one year from the date of Allotment or for such other time as may be required in terms of Regulation 36(b) of the SEBI ICDR Regulations. Our Promoter is exempt from the requirement of minimum Promoters' contribution in terms of Regulation 34(b) of the SEBI ICDR Regulations.

iii. **Other requirements in respect of lock-in:**

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 36(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

We further confirm that our Promoters' Contribution of [●]% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

8. No shares have been purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last six months.



## 9. Our Shareholding Pattern

The table below presents the shareholding pattern of our Company as per Regulation 31, of the SEBI Listing Regulations, 2015

Summary of Shareholding Pattern as on September 30, 2016 is as follows:-

| Category | Category of Shareholder     | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities* |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2) | Number of Locked in shares** |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form*** |
|----------|-----------------------------|----------------------|---|--|--|------------------------|--|---|-------------------------|--|---|------------------------------|---------------------------------|--|---------------------------------|--|
|          |                             |                      |   |  |  |                        |  | No of Voting Rights                                       | Total as a % of (A+B+C) |  |   | No.(a)                       | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |  |
| I        | II                          | III                  | IV                                      | V  | VI   | VII = IV + V+ VI       | VIII   | IX  |                         | X  | XI = VII + X  | XII                          |                                 | XIII   |                                 | XIV  |
| A        | Promoter and Promoter Group | 3                    | 30,01,996                               | -  | -  | 30,01,996              | 72.83  | 30,01,996   | 72.83                   | -  | 72.83   | 8,65,620                     | 28.83                           | 1,93,862   | 6.46                            | 30,01,996  |
| B        | Public                      | 102                  | 11,20,004                               | -  | -  | 11,20,004              | 27.17  | 11,20,004   | 27.17                   | -  | 27.17   | -                            | -                               | -  | -                               | 11,20,000  |
| C        | Non Promoter - Non Public   | -                    | -                                       | -  | -  | -                      | -  | -   | -                       | -  | -   | -                            | -                               | -  | -                               | -  |
| I        | Shares                      | -                    | -                                       | -  | -  | -                      | -  | -   | -                       | -  | -   | -                            | -                               | -  | -                               | -  |



| Category | Category of Shareholder        | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities* |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2) | Number of Locked in shares** |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form*** |                  |
|----------|--------------------------------|----------------------|---|--|--|------------------------|--|---|-------------------------|--|---|------------------------------|---------------------------------|--|---------------------------------|--|------------------|
|          |                                |                      |   |  |  |                        |  | No of Voting Rights                                       | Total as a % of (A+B+C) |  |   | No.(a)                       | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |  |                  |
|          | underlying DRs                 |                      |   |  |  |                        |  |   |                         |  |   |                              |                                 |  |                                 |  |                  |
| 2        | Shares held by Employee Trusts | -                    | -                                       | -  | -  | -                      | -  | -   | -                       | -  | -   | -                            | -                               | -  | -                               | -  | -                |
|          | <b>Total</b>                   | <b>105</b>           | <b>41,22,000</b>                        |  |  | <b>41,22,000</b>       | <b>100.00</b>  | <b>41,22,000</b>  | <b>100.00</b>           |  |   | <b>8,65,620</b>              | <b>21.00</b>                    | <b>1,93,862</b>                                  | <b>4.70</b>                     |  | <b>41,21,996</b> |

. \*As on the date of this Red Herring Prospectus 1 Equity Shares holds 1 vote.



**I. Shareholding Pattern of Promoter and Promoter Group**

|     | Category of Shareholder                   | P<br>A<br>N | Nos. of share holders | No. of fully paid up equity shares held | N o. of Partly paid - up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) As a % of (A+B+C2) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form*** |          |
|-----|---|-------------|-----------------------|---|---|--|------------------------|--|--|-------------------------|--|--|----------------------------|---------------------------------|--|---------------------------------|--|----------|
|     |   |             |                       |   |   |  |                        |  | No of Voting Rights                                      | Total as a % of (A+B+C) |  |  | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |  |          |
|     | I   | II          | II I                  | IV                                      | V   | VI   | VII = IV+V+VI          | VIII   | IX   |                         | X  | XI = VII + X   | XII                        |                                 | XIII   |                                 | XIV  |          |
| 1   | Indian                                    |             |                       |   |   |  |                        |  |  |                         |  |  |                            |                                 |  |                                 |  |          |
| (a) | Individuals/Hindu undivided Family        |             | 2                     | 9,14,496                                | -   | -  | 9,14,496               | 22.19  | 9,14,496   | 22.19                   | -  | -  | -                          | -                               | -  | -                               | -  | 9,14,496 |
| (b) | Central Government/ State Government(s)   |             | -                     | -                                       | -   | -  | -                      | -  | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -  | -        |
| (c) | Financial Institutions/ Banks             |             | -                     | -                                       | -   | -  | -                      | -  | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -  | -        |
| (d) | Any Other (Body corporate)                |             | -                     | -                                       | -   | -  | -                      | -  | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -  | -        |
|     | MAJESTIC MARKET RESEARCH SUPPORT SERVICES |             | 1                     | 20,87,500                               | -   | -  | 20,87,500              | 50.64  | 20,87,500  | 50.64                   | -  | -  | 8,65,620                   | 41.47                           | 1,93,86  | 9.28                            | 20,87,500  |          |



| Category of Shareholder   | PAN | Nos. of shares held | No. of fully paid up equity shares held | No. of Partly paid up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form*** |  |
|---|-----|---------------------|---|--|--|------------------------|--|--|-------------------------|--|---|----------------------------|---------------------------------|--|---------------------------------|--|--|
|   |     |                     |   |  |  |                        |  | No of Voting Rights                                      | Total as a % of (A+B+C) |  |   | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |  |  |
| I   | II  | III                 | IV                                      | V  | VI   | VII = IV+V+VI          | VIII   | IX   |                         | X  | XI = VII + X  | XII                        |                                 | XIII   |                                 | XIV  |  |
| LIMITED   |     |                     |   |  |  |                        |  |  |                         |  |   |                            |                                 |  |                                 |  |  |
| <b>Sub-total (A) (1)</b>  |     | <b>3</b>            | <b>30,01,996</b>                        | -  | -  | <b>30,01,996</b>       | <b>72.83</b>   | <b>30,01,996</b>   | <b>72.83</b>            | -  | -   | <b>8,65,620</b>            | <b>28.83</b>                    | <b>1</b>   | <b>6.46</b>                     | <b>30,01,996</b>                                       |  |
| (2) Foreign   | -   | -                   | -                                       | -  | -  | -                      | -  | -  | -                       | -  | -   | -                          | -                               | -  | -                               | -  |  |
| (a) Individuals (Non-Resident Individuals/ Foreign Individuals) | -   | -                   | -                                       | -  | -  | -                      | -  | -  | -                       | -  | -   | -                          | -                               | -  | -                               | -  |  |
| (b) Government  | -   | -                   | -                                       | -  | -  | -                      | -  | -  | -                       | -  | -   | -                          | -                               | -  | -                               | -  |  |
| (c) Institutions  | -   | -                   | -                                       | -  | -  | -                      | -  | -  | -                       | -  | -   | -                          | -                               | -  | -                               | -  |  |
| (d) Foreign Portfolio Investor                                  | -   | -                   | -                                       | -  | -  | -                      | -  | -  | -                       | -  | -   | -                          | -                               | -  | -                               | -  |  |
| (f) Any Other (Specify)   | -   | -                   | -                                       | -  | -  | -                      | -  | -  | -                       | -  | -   | -                          | -                               | -  | -                               | -  |  |
| <b>Sub-total (A) (2)</b>  | -   | -                   | -                                       | -  | -  | -                      | -  | -  | -                       | -  | -   | -                          | -                               | -  | -                               | -  |  |
| <b>Total</b>  |     | <b>3</b>            | <b>30,01,996</b>                        | -  | -  | <b>30,01,996</b>       | <b>72.83</b>   | <b>30,01,996</b>   | <b>72.83</b>            | -  | <b>8,65,620</b>   | <b>28.83</b>               | <b>1</b>                        | <b>6.46</b>                                      | <b>30,01,996</b>                |  |  |





| Category of Shareholder  | PAN | Nos. of shares held | No. of fully paid up equity shares held | No. of Partly paid up equity shares held | No. of shares under lying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) As a % of (A+B+C2) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form*** |
|--|-----|---------------------|---|--|---|------------------------|--|--|-------------------------|--|--|----------------------------|---------------------------------|--|---------------------------------|--|
|  |     |                     |   |  |   |                        |  | No of Voting Rights                                      | Total as a % of (A+B+C) |  |  | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |  |
| I  | II  | III                 | IV                                      | V  | VI  | VII = IV+V+VI          | VIII   | IX   |                         | X  | XI = VII + X   | XII                        |                                 | XIII   |                                 | XIV  |
| Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) |     |                     |   |  |   |                        |  |  |                         |  |  |                            |                                 | 93862  |                                 | 6  |



**Shareholding pattern of the Public shareholder**

|     | Category of Shareholder           | P<br>A<br>N | Nos . of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Share holding as a % of total no. of shares (calculated as per SCR, 1957)<br><br>As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percent age of diluted share capital)<br><br>As a % of (A+B+C2) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form*** |
|-----|-----------------------------------|-------------|-----------------------|---|--|--|------------------------|---|--|-------------------------|--|---|----------------------------|---------------------------------|--|---------------------------------|--|
|     |                                   |             |                       |   |  |  |                        |   | No of Voting Rights                                      | Total as a % of (A+B+C) |  |   | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |  |
|     | I                                 | II          | III                   | IV                                      | V  | VI   | VII = IV+V+VI          | VIII  | IX   |                         | X  | XI = VII + X  | XII                        |                                 | XIII   |                                 | XIV  |
| (1) | Institutions                      | -           | -                     | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -   | -                          | -                               | -  | -                               | -  |
| (a) | Mutual Funds                      | -           | -                     | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -   | -                          | -                               | -  | -                               | -  |
| (b) | Venture Capital Funds             | -           | -                     | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -   | -                          | -                               | -  | -                               | -  |
| (c) | Alternate Investment Funds        | -           | -                     | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -   | -                          | -                               | -  | -                               | -  |
| (d) | Foreign Venture Capital Investors | -           | -                     | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -   | -                          | -                               | -  | -                               | -  |



|     | Category of Shareholder        | PAN | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Share holding as a % of total no. of shares (calculated as per SCR, 1957)<br><br>As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)<br><br>As a % of (A+B+C2) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form*** |
|-----|--------------------------------|-----|----------------------|---|--|--|------------------------|---|--|-------------------------|--|--|----------------------------|---------------------------------|--|---------------------------------|--|
|     |                                |     |                      |   |  |  |                        |   | No of Voting Rights                                      | Total as a % of (A+B+C) |  |  | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |  |
|     | I                              | II  | III                  | IV                                      | V  | VI   | VII = IV+V+VI          | VIII  | IX   |                         | X  | XI = VII + X   | XII                        |                                 | XIII   |                                 | XIV  |
| (e) | Foreign Portfolio Investors    | -   | -                    | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -  |
| (f) | Financial Institutions / Banks | -   | -                    | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -  |
| (g) | Insurance Companies            | -   | -                    | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -  |
| (h) | Provident Funds/ Pension Funds | -   | -                    | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -  |
| (i) | Any Other                      | -   | -                    | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -  |



|     | Category of Shareholder                                     | PAN | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCR, 1957) |                     | Number of Voting Rights held in each class of securities |         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) | Number of Locked in shares      |         | Number of Shares pledged or otherwise encumbered |     | Number of equity shares held in dematerialized form*** |
|-----|---|-----|----------------------|---|--|--|------------------------|--|---------------------|--|---------|--|--|---------------------------------|---------|--|-----|--|
|     |   |     |                      |   |  |  |                        | As a % of (A+B+C2)   | No of Voting Rights | Total as a % of (A+B+C)                                  | No. (a) |  |  | As a % of total Shares held (b) | No. (a) | As a % of total Shares held (b)                  |     |  |
|     | I   | II  | III                  | IV                                      | V  | VI   | VII = IV+V+VI          | VIII   | IX                  |  | X       | XI = VII + X   | XII  |                                 | XIII    |  | XIV |  |
|     | (Specify)   |     |                      |   |  |  |                        |  |                     |  |         |  |  |                                 |         |  |     |  |
|     | <b>Sub-total (B) (1)</b>                                    | -   | -                    | -                                       | -  | -  | -                      | -  | -                   | -  | -       | -  | -  | -                               | -       | -  | -   | -  |
| (2) | Central Government/State Government(s) / President of India | -   | -                    | -                                       | -  | -  | -                      | -  | -                   | -  | -       | -  | -  | -                               | -       | -  | -   | -  |
|     | <b>Sub-Total (B) (2)</b>                                    | -   | -                    | -                                       | -  | -  | -                      | -  | -                   | -  | -       | -  | -  | -                               | -       | -  | -   | -  |
| (3) | <b>Non-Institutions</b>                                     | -   | -                    | -                                       | -  | -  | -                      | -  | -                   | -  | -       | -  | -  | -                               | -       | -  | -   | -  |



|     | Category of Shareholder  | P<br>A<br>N | Nos . of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Share holding as a % of total no. of shares (calculated as per SCR, 1957)<br><br>As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding , as a % assuming full conversion of convertible securities ( as a percent age of diluted share capital)<br><br>As a % of (A+B+C2) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form*** |
|-----|--|-------------|-----------------------|---|--|--|------------------------|---|--|-------------------------|--|---|----------------------------|---------------------------------|--|---------------------------------|--|
|     |  |             |                       |   |  |  |                        |   | No of Voting Rights                                      | Total as a % of (A+B+C) |  |   | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |  |
|     | I  | II          | III                   | IV                                      | V  | VI   | VII = IV+V+VI          | VIII  | IX   |                         | X  | XI = VII + X  | XII                        |                                 | XIII   |                                 | XIV  |
| (a) | Individuals  |             |                       |   |  |  |                        |   |  |                         |  |   |                            |                                 |  |                                 |  |
|     | i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs |             | 86                    | 5,75,004                                | -  | -  | 5,75,004               | 13.95   | 5,75,004   | 13.95                   | -  | -   | -                          | -                               | -  | -                               | 5,75,000   |
|     | ii. Individual shareholders holding nominal share capital in               |             | 7                     | 4,75,000                                | -  | -  | 4,75,000               | 11.52   | 4,75,000   | 11.52                   | -  | -   | -                          | -                               | -  | -                               | 4,75,000   |



|     | Category of Shareholder                                | PAN | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCR, 1957)<br><br>As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)<br><br>As a % of (A+B+C2) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form*** |
|-----|--|-----|----------------------|---|--|--|------------------------|--|--|-------------------------|--|--|----------------------------|---------------------------------|--|---------------------------------|--|
|     |  |     |                      |   |  |  |                        |  | No of Voting Rights                                      | Total as a % of (A+B+C) |  |  | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |  |
|     | I  | II  | III                  | IV                                      | V  | VI   | VII = IV+V+VI          | VIII   | IX   |                         | X  | XI = VII + X   | XII                        |                                 | XIII   |                                 | XIV  |
|     | excess of Rs. 2 lakhs                                  |     |                      |   |  |  |                        |  |  |                         |  |  |                            |                                 |  |                                 |  |
| (b) | NBFCs registered with RBI                              |     | -                    | -                                       | -  | -  | -                      | -  | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -  |
| (c) | Employee Trusts  |     | -                    | -                                       | -  | -  | -                      | -  | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -  |
| (d) | Overseas Depositories (holding DRs) (balancing figure) |     | -                    | -                                       | -  | -  | -                      | -  | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -  |
| (e) | Any Other  |     |                      |   |  |  |                        |  |  |                         |  |  |                            |                                 |  |                                 |  |





| Category of Shareholder                  | PAN | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Share holding as a % of total no. of shares (calculated as per SCR, 1957)<br><br>As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)<br><br>As a % of (A+B+C2) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form*** |                  |
|--|-----|----------------------|---|--|--|------------------------|---|--|-------------------------|--|--|----------------------------|---------------------------------|--|---------------------------------|--|------------------|
|  |     |                      |   |  |  |                        |   | No of Voting Rights                                      | Total as a % of (A+B+C) |  |  | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |  |                  |
| I  | II  | III                  | IV                                      | V  | VI   | VII = IV+V+VI          | VIII  | IX   |                         | X  | XI = VII + X   | XII                        |                                 | XIII   |                                 | XIV  |                  |
| (Specify)                                |     |                      |   |  |  |                        |   |  |                         |  |  |                            |                                 |  |                                 |  |                  |
| Body Corporates                          |     | 4                    | 50,000                                  | -  | -  | 50,000                 | 1.21  | 50,000   | 1.21                    | -  | -  | -                          | -                               | -  | -                               | -  | 50,000           |
| Clearing member                          |     | 3                    | 10,000                                  | -  | -  | 10,000                 | 0.24  | 10,000   | 0.24                    | -  | -  | -                          | -                               | -  | -                               | -  | 10,000           |
| NRI                                      |     | 2                    | 10,000                                  | -  | -  | 10,000                 | 0.24  | 10,000   | 0.24                    | -  | -  | -                          | -                               | -  | -                               | -  | 10,000           |
| <b>Sub Total (B)(3)</b>                  |     | <b>102</b>           | <b>11,20,004</b>                        | <b>-</b>                                 | <b>-</b>                                     | <b>11,20,004</b>       | <b>27.17</b>  | <b>11,20,004</b>   | <b>27.17</b>            | <b>-</b>   | <b>-</b>   | <b>-</b>                   | <b>-</b>                        | <b>-</b>   | <b>-</b>                        | <b>-</b>   | <b>11,20,000</b> |
| <b>Total Shareholding of Public (B)=</b> |     | <b>102</b>           | <b>11,20,004</b>                        | <b>-</b>                                 | <b>-</b>                                     | <b>11,20,004</b>       | <b>27.17</b>  | <b>11,20,004</b>   | <b>27.17</b>            | <b>-</b>   | <b>-</b>   | <b>-</b>                   | <b>-</b>                        | <b>-</b>   | <b>-</b>                        | <b>-</b>   | <b>11,20,000</b> |



| Category of Shareholder | PAN | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Share holding as a % of total no. of shares (calculated as per SCR, 1957)<br><br>As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital)<br><br>As a % of (A+B+C2) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form*** |
|-------------------------|-----|----------------------|---|--|--|------------------------|---|--|-------------------------|--|---|----------------------------|---------------------------------|--|---------------------------------|--|
|                         |     |                      |   |  |  |                        |   | No of Voting Rights                                      | Total as a % of (A+B+C) |  |   | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |  |
| I                       | II  | III                  | IV                                      | V  | VI   | VII = IV+V+VI          | VIII  | IX   |                         | X  | XI = VII + X  | XII                        |                                 | XIII   |                                 | XIV  |
| (B)(1)+(B)(2) + (B)(3)  |     |                      |   |  |  |                        |   |  |                         |  |   |                            |                                 |  |                                 |  |



**II. Shareholding pattern of the Non Promoter- Non Public shareholder**

| Sr No | Category of Shareholder  | P A N | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)<br><br>As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)<br><br>As a % of (A+B+C2) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form |
|-------|--|-------|----------------------|---|--|--|------------------------|---|--|-------------------------|--|--|----------------------------|---------------------------------|--|---------------------------------|---|
|       |  |       |                      |   |  |  |                        |   | No of Voting Rights                                      | Total as a % of (A+B+C) |  |  | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |   |
|       | I  | I I   | III                  | IV                                      | V  | VI   | VII = IV+V+VI          | VIII  | IX   |                         | X  | XI = VII + X   | XII                        |                                 | XIII   |                                 | XIV   |
| (1)   | Custodian / DR Holder  | -     | -                    | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -   |
| (a)   | Name of DR Holder (if applicable)  | -     | -                    | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -   |
|       | <b>Sub total (C)(1)</b>  | -     | -                    | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -   |
| (2)   | Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014) | -     | -                    | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -   |
|       | <b>Sub total (C)(2)</b>  | -     | -                    | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -   |



| Sr No | Category of Shareholder   | P<br>A<br>N | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)<br><br>As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)<br><br>As a % of (A+B+C2) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form |
|-------|---|-------------|----------------------|---|--|--|------------------------|---|--|-------------------------|--|--|----------------------------|---------------------------------|--|---------------------------------|---|
|       |   |             |                      |   |  |  |                        |   | No of Voting Rights                                      | Total as a % of (A+B+C) |  |  | No. (a)                    | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |   |
|       | I   | I<br>I      | III                  | IV                                      | V  | VI   | VII = IV+V+VI          | VIII  | IX   |                         | X  | XI = VII + X   | XII                        |                                 | XIII   |                                 | XIV   |
|       | <b>Total Non-Promoter Non-Public Shareholding (C) = (C)(1)+(C)(2)</b> | -           | -                    | -                                       | -  | -  | -                      | -   | -  | -                       | -  | -  | -                          | -                               | -  | -                               | -   |

*Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.*

Our Company files the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Shares.

In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/05/2011, dated September 30, 2011, our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialised prior to filing the Prospectus with the RoC.



10. The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group are as under:

| Sr. No. | Name of the Shareholder                           | Pre – Issue          |                        |
|---------|---|----------------------|------------------------|
|         |   | No. of Equity Shares | % of Pre-Issue Capital |
| (I)     | (II)  | (III)                | (IV)                   |
|         | <b>Promoter</b>                                   |                      |                        |
| 1.      | Majestic Market Research Support Services Limited | 2,087,500            | 50.64                  |
| 2.      | Rajendra Kumar Sharma                             | 914,495              | 22.19                  |
| 3.      | Sarang Jayant Panchal                             | 1                    | Negligible             |
|         | <b>Total</b>                                      | <b>30,01,996</b>     | <b>72.83</b>           |

11. The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

| Name of the Promoter                              | No. of Shares held | Average cost of Acquisition (in Rs.) |
|---|--------------------|--------------------------------------|
| Majestic Market Research Support Services Limited | 20,87,500          | 10                                   |
| Rajendra Sharma                                   | 9,14,495           | 10                                   |
| Sarang Jayant Panchal                             | 1                  | 10                                   |

12. Except as stated below, no persons belonging to the category “Public” holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares.

| Sr. No. | Name of the Shareholder | Pre – Issue          |                        | Post – Issue         |                         |
|---------|-------------------------|----------------------|------------------------|----------------------|-------------------------|
|         |                         | No. of Equity Shares | % of Pre-Issue Capital | No. of Equity Shares | % of Post-Issue Capital |
| (I)     | (II)                    | (III)                | (IV)                   | (V)                  | (VI)                    |
| 1.      | Kokila Gupta            | 127500               | 3.09                   | 127500               | [●]                     |
| 2.      | Chander Mohan Bhatia    | 170000               | 4.12                   | 170000               | [●]                     |
|         | <b>Total</b>            | <b>1445000</b>       | <b>7.21</b>            | <b>1445000</b>       | <b>[●]</b>              |



13. The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Red Herring Prospectus are set forth below:

a) Particulars of the top ten shareholders as on the date of filing this Red Herring Prospectus:

| Sr. No. | Name of Shareholders                              | Number of Equity Shares | % of Total Paid-Up Capital |
|---------|---|-------------------------|----------------------------|
| 1.      | Majestic Market Research Support Services Limited | 2087500                 | 50.64%                     |
| 2.      | Rajendra Kumar Sharma                             | 914495                  | 22.19%                     |
| 3.      | Chander Mohan Bhatia                              | 145000                  | 3.52%                      |
| 4.      | Kokila Gupta                                      | 125000                  | 3.03%                      |
| 5.      | Mina Mehta  | 40000                   | 0.97%                      |
| 6.      | Pradipkumar Dhirajlal Mehta                       | 40000                   | 0.97%                      |
| 7.      | Sahil Gupta                                       | 37500                   | 0.91%                      |
| 8.      | Rajendra Shubhakaran Khemka                       | 37500                   | 0.91%                      |
| 9.      | Rohit Sengupta .                                  | 20000                   | 0.49%                      |
| 10.     | P N Srikantha                                     | 20000                   | 0.49%                      |
|         | <b>Total</b>                                      | <b>3466995</b>          | <b>84.11%</b>              |

b) Particulars of the top ten shareholders ten days prior to the date of filing of this Red Herring Prospectus

| Sr. No. | Name of Shareholders                              | Number of Equity Shares | % of Total Paid-Up Capital |
|---------|---|-------------------------|----------------------------|
| 1.      | Majestic Market Research Support Services Limited | 2087500                 | 50.64%                     |
| 2.      | Rajendra Kumar Sharma                             | 914495                  | 22.19%                     |
| 3.      | Chander Mohan Bhatia                              | 145000                  | 3.52%                      |
| 4.      | Kokila Gupta                                      | 125000                  | 3.03%                      |
| 5.      | Mina Mehta  | 40000                   | 0.97%                      |
| 6.      | Pradipkumar Dhirajlal Mehta                       | 40000                   | 0.97%                      |
| 7.      | Sahil Gupta                                       | 37500                   | 0.91%                      |
| 8.      | Rajendra Shubhakaran Khemka                       | 37500                   | 0.91%                      |
| 9.      | Rohit Sengupta .                                  | 20000                   | 0.49%                      |
| 10.     | P N Srikantha                                     | 20000                   | 0.49%                      |
|         | <b>Total</b>                                      | <b>3466995</b>          | <b>84.11%</b>              |

c) Particulars of the top ten shareholders two years prior to the date of filing of this Red Herring Prospectus:

| Sr. No. | Name of shareholder*                              | No. of Shares | % age of pre-Issue capital |
|---------|---|---------------|----------------------------|
| 1.      | Majestic Market Research Support Services Limited | 2,087,500     | 69.54%                     |
| 2.      | Rajendra Sharma                                   | 914,495       | 30.46%                     |





|    |                       |                  |             |
|----|-----------------------|------------------|-------------|
| 3. | Sarang Jayant Panchal | 1                | 0.00%       |
| 4. | Naina Krishnamurthy   | 1                | 0.00%       |
| 5. | Harish Singh          | 1                | 0.00%       |
| 6. | Mani Singh Kalsi      | 1                | 0.00%       |
| 7. | Sagar Bait            | 1                | 0.00%       |
|    | <b>Total</b>          | <b>3,002,000</b> | <b>100%</b> |

14. Details of the Equity Shares held by our Directors

Set out below are details of the Equity Shares held by our Directors in our Company:

| Sr. No. | Name                  | Pre – Issue          |                        | Post – Issue         |                         |
|---------|-----------------------|----------------------|------------------------|----------------------|-------------------------|
|         |                       | No. of Equity Shares | % of Pre-Issue Capital | No. of Equity Shares | % of Post-Issue Capital |
| (I)     | (II)                  | (III)                | (IV)                   | (V)                  | (VI)                    |
| 1.      | Rajendra Kumar Sharma | 914,495              | 22.19                  | 914,495              | 22.19                   |
| 2.      | Sarang Jayant Panchal | 1                    | Negligible             | 1                    | Negligible              |
|         | <b>Total</b>          | <b>914,496</b>       | <b>22.19</b>           | <b>914,496</b>       | <b>22.19</b>            |

15. Details of the Equity Shares held by Directors of our corporate promoter:

Set out below are details of the Equity Shares held by Directors of our corporate promoter in our Company:

| Sr. No. | Name          | Pre – Issue          |                        | Post – Issue         |                         |
|---------|---------------|----------------------|------------------------|----------------------|-------------------------|
|         |               | No. of Equity Shares | % of Pre-Issue Capital | No. of Equity Shares | % of Post-Issue Capital |
| (I)     | (II)          | (III)                | (IV)                   | (V)                  | (VI)                    |
| 1.      | Sandip Bhatia | 7,49,994             | 99.99%                 | 7,49,994             | 99.99%                  |
|         | <b>Total</b>  | <b>7,49,994</b>      | <b>99.99%</b>          | <b>7,49,994</b>      | <b>99.99%</b>           |

16. Our Company has adopted the ESOS Scheme to reward our Directors (other than our Promoter, members of our Promoter Group and independent Directors) and permanent employees. The ESOP Scheme is in compliance with applicable regulations, including relevant Guidance Notes or Accounting Standards issued by the Institute of Chartered Accountants of India in this regard, the Companies Act, 2013, the SEBI SBEB Regulations. Pursuant to Postal Ballot dated February 08, 2016, our Company has implemented the ESOP Scheme. Under the provisions of the ESOS Scheme, our Company has not granted any options.

17. Neither the Book Running Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.

18. 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 Book Running Lead Manager and the SME Platform of BSE Ltd.

19. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.



20. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
21. There are no Equity Shares against which depository receipts have been issued.
22. Other than the Equity Shares, there are no other class of securities issued by our Company.
23. 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 Red Herring Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
24. None of the persons/Companies comprising our Promoter Group, or our Directors or 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 any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Red Herring Prospectus.
25. Our Company, our Promoters, our Directors and the Book Running Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
26. There are no safety net arrangements for this further public issue.
27. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalising 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 our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.
28. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
29. As on date of this Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
30. All the Equity Shares of our Company are fully paid up as on the date of the Red Herring Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
31. As per RBI regulations, OCBs are not allowed to participate in this Issue.
32. Our Company has not raised any bridge loans against the proceeds of the Issue.
33. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
34. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.



35. 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.
36. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
37. Our Company have 105 shareholders as on the date of filing of this Red Herring Prospectus.
38. Our Promoters and the members of our Promoter Group will not participate in this further Issue.
39. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
40. For the details of transactions by our Company with our Promoter Group, Group Companies during financial years ended March 31, 2016, 2015, 2014, 2013 and for the period ended June 30, 2016. Please refer to paragraph titled “Details of Related Parties Transactions as Restated” in the chapter titled “*Financial Statements as restated*” on page **184** of the Red Herring Prospectus. 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 158 of the Red Herring Prospectus.
41. Our Company has made public issue in the year 2015 and got listed at the SME exchange of BSE Ltd.



## OBJECTS OF THE ISSUE

Our Company proposes to utilize the net proceeds from the Issue towards funding the following objects and achieve the benefits of listing on the SME platform of BSE.

### DETAILS OF THE PROCEEDS

| Particulars                         | Amount (in Rs. lakhs) |
|-------------------------------------|-----------------------|
| Gross Proceeds from the Fresh Issue | 1000.00               |
| (Less) Issue related expenses*      | [•]                   |
| Net Proceeds                        | [•]                   |

\*To be finalised upon determination of Issue Price and as on the date of Red Herring Prospectus, our Company has incurred Rs. 5.00 lakhs towards Issue expenses.

The objects to the Issue are as follows:

1. Purchase of New Corporate office
2. Civil work and Interior Expenses
3. Working Capital requirements
4. General Corporate Purpose

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

### MEANS OF FINANCE

| Sr. No. | Particulars                      | Amount to be financed from Net Proceeds of the Issue (Rs. in lakhs) | Amount to be financed from Bank Finance (Rs. in lakhs) | Amount to be financed from internal accruals (Rs. in lakhs) | Total (Rs. in lakhs) |
|---------|----------------------------------|---|--|---|----------------------|
| 1.      | Purchase of New Corporate office | 180.00  | 420.00   | -   | 600.00               |
| 2.      | Civil work and Interior Expenses | 80.00   | -  | 14  | 94.00                |
| 3.      | Working Capital Requirements     | 470.00  | -  | 191.85  | 661.85               |
| 4.      | General Corporate Purpose        | [•]   | [•]  | [•]   | [•]                  |

### FUND REQUIREMENTS

| Sr. No. | Particulars                      | Amount to be financed from Net Proceeds of the Issue (Rs. in lakhs) | Percentage of Gross Proceeds | Percentage of Net Proceeds |
|---------|----------------------------------|---|------------------------------|----------------------------|
| 1.      | Purchase of New Corporate office | 180.00  | [•]                          | [•]                        |
| 2.      | Civil work and Interior Expenses | 80.00   | [•]                          | [•]                        |



| Sr. No. | Particulars                  | Amount to be financed from Net Proceeds of the Issue (Rs. in lakhs) | Percentage of Gross Proceeds | Percentage of Net Proceeds |
|---------|------------------------------|---|------------------------------|----------------------------|
| 3.      | Working Capital Requirements | 470.00  | [●]                          | [●]                        |
| 4.      | General Corporate Purpose    | [●]   | [●]                          | [●]                        |

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Issue, Bank Finance and Internal Accruals. Accordingly, we confirm that we have made the requirement for firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue and Internal accruals.

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

#### **1. Purchase of New Corporate office**

We are presently conducting our corporate functions at Duplex Office Unit No 601 and 701, Trellis Plot No 202 203, LBS Marg, Kurla West , Mumbai – 400070 an aggregate area of approximately 2500 sq. ft. This existing office is relatively smaller than required and has been taken on leave & license basis. As we aim to expand our research activities which in turn will increase our bandwidth, we intend to purchase a new office which would be larger than the existing one to gratify our requirements from the funds raised through this FPO.

We have identified a location at LBS Marg, Kurla West, Mumbai and received quotation from M/s Kanakia Spaces Realty Pvt. Ltd. Further we are also in the process of identifying another location if we get better or cheaper or have other benefits. In this regard, we are negotiating with various vendors.

The down payment of purchase of new office is to be made out of the Issue proceeds and balance payment will be made through bank finance. We have not yet entered into any specific agreements for the proposed acquisition of office due to vendors availing multiple sale options and frequent price changes. We expect to finalize the transactions contemplated herein only once we have access to the Issue proceeds.

The cost of office is also estimated based on certificate issued by the valuer V.V. Deshpande & Co. dated August 30, 2016 valuing the property at Rs. 5.35 Crores.

The cost of office is mere an estimate and actual price at which the office is purchased may be different. Any additional cost will be met from internal accrual and whereas any savings will be utilized towards other costs to be incurred for setting up new office. The cost of the proposed property to be acquired is approximately Rs. 600.00 lakhs property including consultant fees, Stamp duty and other Registration charges. We intend to utilise 180.00 lakhs out of Issue Proceeds towards this purpose. Our Company has also received in principle approval from Axis Bank dated August 30, 2016 sanctioning amount upto Rs. 450 lakhs. However, we may approach other Banks with better financing facilities.



## 2. Civil work and Interior Expenses

Civil work like Design Consultancy, MEP Consultancy, Project management, Demolition & Dismantling wall preparing etc and Interior expenses include furniture & fixtures, Computers, Server, Air Conditioner, and other materials. The estimated cost for Civil work and interior work on turnkey basis is as per quotation dated August 24, 2016 provided by G M Design & Contractors. Interior expenses approx. 94 lakhs including taxes is proposed to be incurred.

The cost of civil work and Interior work is mere an estimate and actual cost may vary. Any additional cost will be met from internal accrual. We intend to utilise Rs. 80.00 lakhs out of Issue Proceeds towards this purpose and balance through Internal accruals.

In view of the dynamic nature of the sector and specifically that of our business, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects.

While 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 variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. In the event of any shortfall in the Net Proceeds, we may explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders.

## 3. Working Capital Requirement

Our business is working capital intensive. We finance our working capital requirements from bank funding, internal accruals and other sources.

As on March 31, 2015, March 31, 2016 and June 30, 2016 our Company's net working capital consisted of Rs. 334.76 lakhs, Rs. 619.60 lakhs and Rs. 711.54 lakhs respectively, based on the standalone restated financial statements.

The total working capital requirement for the year 2016-17 is estimated to be Rs. 1350.66 lakhs. The incremental working capital requirement for the year ending March 31, 2017 will be Rs. 661.85 lakhs, which will be met through the Net Proceeds to the extent of Rs. 470.00 lakhs, and the balance portion will be met through internal accruals.

### **Basis of estimation of working capital requirement**

The details of our Company's working capital requirement and funding of the same based on the restated standalone financial statements as at March 31, 2015 and March 31, 2016 are as set out in the table below:

| Particulars                   | Amount (Rs. In Lakhs) |        |
|-------------------------------|-----------------------|--------|
|                               | As on March 31        |        |
|                               | 2015                  | 2016   |
| <b>Current Assets</b>         |                       |        |
| Trade Receivables             | 466.34                | 617.78 |
| Short term Loans and Advances | 25.53                 | 199.42 |
| Cash and cash equivalents     | 4.09                  | 64.23  |
| Other Current Assets          | 20.98                 | 16.49  |





|   |        |        |
|---|--------|--------|
| <b>Total (A)</b>                              | 516.94 | 897.92 |
| <b>Current Liabilities</b>                    |        |        |
| Short Term Borrowings                         | 122.49 | 70.75  |
| Trade Payables                                | 7.26   | 19.67  |
| Short Term Provisions                         | 10.28  | 70.89  |
| Other Current Liabilities                     | 42.15  | 117.01 |
| <b>Total (B)</b>                              | 182.18 | 278.32 |
| <b>Net Working Capital (A)-(B)</b>            | 334.76 | 619.60 |
| Incremental Working Capital                   | -      | 284.84 |
| <b>Sources of Incremental Working Capital</b> |        |        |
| IPO Proceeds                                  | -      | 80.00  |
| Internal Accruals(including unsecured loan)   | -      | 204.84 |

The details of our Company's expected working capital requirement as at March 31, 2017 is set out in the table below:

| Particulars                                   | Amount (Rs. In Lakhs) |             |
|---|-----------------------|-------------|
|   | 2016-17               | (Estimated) |
| <b>Current Assets</b>                         |                       |             |
| Trade Receivables                             |                       | 875.00      |
| Short term Loans and Advances                 |                       | 454.83      |
| Cash and cash equivalents                     |                       | 164.31      |
| <b>Total (A)</b>                              |                       | 1494.14     |
| <b>Current Liabilities</b>                    |                       |             |
| Trade Payables                                |                       | 35.85       |
| Other Current Liabilities                     |                       | 107.63      |
| <b>Total (B)</b>                              |                       | 143.48      |
| <b>Net Working Capital (A)-(B)</b>            |                       | 1350.66     |
| Incremental Working Capital                   |                       | 661.85      |
| <b>Sources of Incremental Working Capital</b> |                       |             |
| Issue Proceeds                                |                       | 470.00      |
| Internal Accruals                             |                       | 191.85      |
| <b>Total Source</b>                           |                       | 661.85      |

\*Incremental Working capital is calculated by subtracting the Current year working capital from previous year net working capital.

#### Assumption for working capital requirements

Assumptions for Holding Levels\*

| Particulars           | (In months)                        |                                    |  |
|-----------------------|------------------------------------|------------------------------------|--|
|                       | Holding Level as of March 31, 2015 | Holding Level as of March 31, 2016 | Holding Level as of March 31, 2017 (Estimated) |
| <b>Current Assets</b> |                                    |                                    |  |



| Particulars                | Holding Level as of March 31, 2015 | Holding Level as of March 31, 2016 | Holding Level as of March 31, 2017 (Estimated) |
|----------------------------|------------------------------------|------------------------------------|--|
| Trade Receivables          | 10.16                              | 6.66                               | 7.00   |
| <b>Current Liabilities</b> |                                    |                                    |  |
| Trade Payables             | 0.85                               | 0.52                               | 0.75   |

Our Company proposes to utilize Rs. 470.00 lakhs of Net Proceeds towards working capital requirements for meeting our business requirements.

The incremental working capital requirements are based on historical Company data and estimation of the future requirements in Financial Year 2016-17 considering the growth in activities of our Company. Our Company has assumed Trade receivables and Trade payables as 7.00 months and 0.75 month respectively for the Financial Year 2016-2017.

Our Debtors cycle was of about 10.16 months and 6.66 months in Financial Year 2014-15 and 2015-16 respectively. Further, we expect our debtors cycle to be 7.00 months in Financial Year 2016-17. Similarly we have estimated Trade payables to be 0.75 months in financial year 2016-17.

**Justification for “Holding Period” levels**

**The justifications for the holding levels mentioned in the table above are provided below:**

|  |   |
|--|---|
| <b>Assets- Current Assets</b>            |   |
| <b>Trade receivables</b>                 | In FY 2016-17 the trade receivable holding period is estimated to 7.00 months due to the nature of the contracts in hand and government payment policies. |
| <b>Liabilities – Current Liabilities</b> |   |
| <b>Trade Payables</b>                    | In FY 2016-17, we expect the trade payables period to increase to 0.75 months which is slightly higher than the existing and is as per Industry trend     |

**4. General Corporate Purpose**

Our Company proposes to deploy the balance Net Proceeds aggregating Rs [●] lakhs towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Issue proceeds net off issue expenses aggregating Rs. [●] lakhs being [●]% of the gross issue proceeds and [●]% of the net issue proceeds towards general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Proceeds after meeting issue expenses, for general corporate purpose including but not restricted to, marketing expenses, meeting operating expenses, strengthening of our business development and marketing capabilities, meeting exigencies which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

**Issue Related Expenses**



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

| Expenses  | Expenses (Rs. in Lakhs)* | Expenses (% of total Issue expenses) | Expenses (% of Gross Issue Proceeds) |
|---|--------------------------|--------------------------------------|--------------------------------------|
| Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc. | [●]                      | [●]                                  | [●]                                  |
| Regulatory fees   | [●]                      | [●]                                  | [●]                                  |
| Marketing and Other Expenses  | [●]                      | [●]                                  | [●]                                  |
| <b>Total estimated Issue expenses</b>   | [●]                      | [●]                                  | [●]                                  |

*\*As on date of the Red Herring Prospectus, our Company has incurred Rs. 5.00 Lakhs towards Issue Expenses out of internal accruals.*

*\*\*SCSBs will be entitled to a processing fee of Rs.10/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them.*

*Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.01% on the Allotment Amount# or Rs.10/- whichever is less on the Applications wherein shares are allotted.*

*The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.*

*#Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

### Schedule of Implementation & Deployment of Funds:

Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the financial year 2016-17.

| Activity                         | Amount to be financed from FPO Proceeds | Amount incurred till date | Deployment during FY 2016-17 |
|----------------------------------|---|---------------------------|------------------------------|
| Purchase of New Corporate office | 180.00                                  | [●]                       | [●]                          |
| Civil work and Interior Expenses | 80.00                                   | [●]                       | [●]                          |
| Working Capital Requirements     | 470.00                                  | [●]                       | [●]                          |
| General Corporate Purpose        | [●]                                     | [●]                       | [●]                          |

Further our Peer Reviewed Auditors, R.T. Jain & Co. , Chartered Accountants vide their certificate dated August 31, 2016 have confirmed that as on August 31, 2016 Rs. 5.00 lakhs have been deployed towards issue expenses out of internal accruals.

Further our Management, in accordance with the policies setup by the Board, will have flexibility in deploying the Net Proceeds of the Issue.

### Bridge Financing

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



completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue.

### **Appraisal by Appraising Agency**

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

### **Interim Use of Funds**

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

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

### **Monitoring Utilization of Funds**

As the size of the Issue does not exceed Rs. 50,000 lakhs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

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

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

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



## BASIS FOR ISSUE PRICE

The Issue Price of Rs. [●] per Equity Share has been determined by the Company in consultation with Book Running Lead Manager, on the basis of assessment of market demand from the investors for the offered Equity Shares through the Book Building Process and also on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares of our Company is Rs.10 each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to the chapter titled “Risk Factors” and “Financial Information as restated” and “Our Business” on page 19, 184 and 129 of this Red Herring Prospectus.

### QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price are:

- Innovative technology.
- Senior Researchers
- Multi-country research capability
- Early mover advantage in niche market research industry in India
- Wide range of on-field presence in India
- Experience of Promoters
- Well-equipped infrastructure in terms of motivated employees, technological set-up.

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 129 of this Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the Standalone for Financial Year 2014, 2015, 2016 and for the period ended June 30, 2016 and Consolidated Restated Financial Statements for Financial Year 2015, 2016 and for the period ended June 30, 2016 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20

As per our restated Standalone Summary Statements:

| Year ended                               | EPS (Rs.)   | Weight |
|--|-------------|--------|
| March 31, 2014                           | 1.66        | 1      |
| March 31, 2015                           | 1.73        | 2      |
| March 31, 2016                           | 4.85        | 3      |
| <b>Weighted average</b>                  | <b>3.28</b> |        |
| <b>Three months ended June 30, 2016*</b> | <b>2.02</b> |        |

*\*Not Annualised*

#### Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20

As per our restated Consolidated Summary Statements:

| Year ended              | EPS (Rs.)   | Weight |
|-------------------------|-------------|--------|
| March 31, 2015          | 1.68        | 1      |
| March 31, 2016          | 4.80        | 2      |
| <b>Weighted average</b> | <b>3.76</b> |        |



|  |             |
|--|-------------|
| <b>Three months ended June 30, 2016*</b> | <b>2.03</b> |
|--|-------------|

*\*Not Annualised*

Note:-

• Restated earnings per share have been computed as per AS 20. The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the period / year. The face value of each Equity Share is Rs. 10/-.

## **2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. [●] per Equity Share of Rs. 10 each fully paid up.**

As per our restated Standalone Summary Statements:

| <b>Particulars</b>                          | <b>P/E Ratio on Cap Price</b> | <b>PE Ratio on Floor Price</b> |
|---|-------------------------------|--------------------------------|
| P/E ratio based on Basic EPS for FY 2015-16 | [●]                           | [●]                            |
| P/E ratio based on Weighted Average EPS     | [●]                           | [●]                            |

As per our restated Consolidated Summary Statements:

| <b>Particulars</b>                          | <b>P/E Ratio on Cap Price</b> | <b>PE Ratio on Floor Price</b> |
|---|-------------------------------|--------------------------------|
| P/E ratio based on Basic EPS for FY 2015-16 | [●]                           | [●]                            |
| P/E ratio based on Weighted Average EPS     | [●]                           | [●]                            |

## **Industry P/E**

Our Company offers customized solutions in market research that cater to business across the product life cycle. It focuses on market research, advertising research, brand research and consumer research and does not have peer group listed companies in India with which we can be compared with.

## **3. Return on Net worth (RoNW)**

Return on Net Worth (“RoNW”) as per restated Standalone financial statements

| <b>Year ended</b>                        | <b>RoNW (%)</b> | <b>Weight</b> |
|--|-----------------|---------------|
| March 31, 2014                           | 4.12            | 1             |
| March 31, 2015                           | 14.92           | 2             |
| March 31, 2016                           | 28.00           | 3             |
| <b>Weighted Average</b>                  | <b>19.66</b>    |               |
| <b>Three months ended June 30, 2016*</b> | <b>11.22</b>    |               |

*\*Not Annualised*

Return on Net Worth (“RoNW”) as per restated Consolidated financial statements

| <b>Year ended</b>                        | <b>RoNW (%)</b> | <b>Weight</b> |
|--|-----------------|---------------|
| March 31, 2015                           | 13.86           | 1             |
| March 31, 2016                           | 27.70           | 2             |
| <b>Weighted Average</b>                  | <b>23.09</b>    |               |
| <b>Three months ended June 30, 2016*</b> | <b>11.28</b>    |               |

*\*Not Annualised*





**Note:** The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

**4. Minimum Return on Total Net Worth post Issue needed to maintain Pre Issue EPS for the year ended March 31, 2016**

| Particulars                            | At Floor Price | At Cap Price |
|--|----------------|--------------|
| <b>To maintain Pre issue Basic EPS</b> |                |              |
| On consolidated Basis                  | [●]            | [●]          |
| On standalone basis                    | [●]            | [●]          |
|  |                |              |
| <b>To maintain Pre issue Basic EPS</b> |                |              |
| On consolidated Basis                  | [●]            | [●]          |
| On standalone basis                    | [●]            | [●]          |

**5. Net Asset Value (NAV)**

As per restated Standalone financial statements

| Particulars   | Amount (in Rs.) |
|---|-----------------|
| Net Asset Value per Equity Share as of March 31, 2016 | 16.60           |
| Issue Price per equity share                          | [●]             |

As per restated consolidated financial statements

| Particulars   | Amount (in Rs.) |
|---|-----------------|
| Net Asset Value per Equity Share as of March 31, 2016 | 15.98           |
| Net Asset Value per Equity Share after the Issue      | [●]             |
| Issue Price per equity share                          | [●]             |

| Particulars   | At Floor Price | At Cap Price |
|---|----------------|--------------|
| <b>Net Asset Value per Equity Share after the Issue</b> |                |              |
| On consolidated Basis                                   | [●]            | [●]          |
| On standalone basis                                     | [●]            | [●]          |
|   |                |              |
| <b>Net Asset Value per Equity Share after the Issue</b> |                |              |
| On consolidated Basis                                   | [●]            | [●]          |
| On standalone basis                                     | [●]            | [●]          |

Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares outstanding at the end of the period.

Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

**Investors may be guided in the meantime by the secondary market prices.**



## 6. Comparison with other listed companies

We are primarily engaged in providing services of customized solutions that cater to business across the product life cycle. The Company focuses on market research, advertising research, brand research and consumer research, but also offers an array of other research services to assist companies in developing more successful products and stronger brands and currently there are no listed entities which are focused exclusively on the segment in which we operate.

Since the Issue is being made through the 100% Book Building Process, the Issue Price will be determined on the basis of investor demand.

The face value of our Equity Shares is Rs. 10 each and the Issue Price is [●] times of the face value of our Equity Shares.

The Company after considering various valuation fundamentals including Book Value and other relevant factors, believes that Issue price of Rs. [●] per Equity Share for the Further Public Issue is justified in view of the above parameters.

The trading price of the Equity shares of the company could decline due to the factors mentioned in “Risk Factors” and you may lose all or part of your investments. For further details see section titled “*Risk Factors*” beginning on page 19 and the financials of the Company including profitability and return ratios, as set out in the section titled “*Financial Statements*” beginning on page 184 of this Red Herring Prospectus for a more informed view.

Notes:

(1) Basic EPS = Net Profit / (Loss) available to Equity Shareholders / Weighted average number of Equity Shares outstanding during the period/year

(2) Return on net worth (%) = Net profit after tax, as restated attributable to shareholders / Net worth as restated as at period or year end Net worth = Share capital (Equity and Preference) + Reserves and surplus, as restated [including Securities premium, Share options outstanding account, Foreign currency translation reserve and Surplus / (Deficit) in Statement of Profit and Loss].

(3) Return on net worth = Net Profit / (Loss) available to Equity Shareholders / Net worth Net worth = Equity share capital + Reserves and surplus (including Securities Premium and Surplus/ (Deficit)

(4) Net Asset Value = Net Worth / Number of Equity Shares outstanding at the end of the period/year

(5) Net Asset Value = Net Worth / Weighted average number of equity shares outstanding during the period / year after considering effect of rights issue, bonus issue

The Issue Price of Rs.[●] has been determined by our Company in consultation with the BRLM on the basis of assessment of the market demand from investors for the Equity Shares by way of book-building. Our Company and the BRLM believe that the Issue Price of Rs.[●] is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with “Risk Factors”, “Our Business” and “Financial Statements” on pages 19, 129 and 184, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “Risk Factors” and you may lose all or part of your investments.



## STATEMENT OF POSSIBLE TAX BENEFITS

To

**The Board of Directors**

Majestic Research Services and Solutions Limited  
2<sup>nd</sup> Floor Kalpak Arcade,  
No. 46/70 Churchstreet,  
Bengaluru-560001

Dear Sirs,

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

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 (‘Act’) as amended by the Finance Act, 2016 (i.e applicable to Financial Year 2016-17 relevant to Assessment Year 2017-18), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

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

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

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

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



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

**For R T Jain & Co.**  
**Chartered Accountants**  
**Firm Registration No.103961W**

**(CA Bankim Jain)**  
**Partner**  
**Membership No. 139447**  
**Mumbai, November 09, 2016**



**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

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

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

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

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

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



## SECTION IV – ABOUT THE COMPANY

### OUR INDUSTRY

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that 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. You should read the entire Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 19 and 184 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.*

#### **INDIAN MARKET RESEARCH INDUSTRY: INTRODUCTION**

The research ecosystem in India presents a significant opportunity for multinational corporations across the world due to its intellectual capital available in the country. Legions of Indian engineers working across the globe highlight the highly trained manpower available at competitive costs. Consequently, several MNCs have shifted or are shifting their research and development (R&D) base to India. These R&D bases either develop products to serve the local market or help the parent company overseas deliver new innovative generation of products faster to the markets across the world.

Adobe System Inc expects India to contribute significantly to the overall growth of the company as a substantial portion of Adobe's core Research and Development (R&D) is being done in the country.

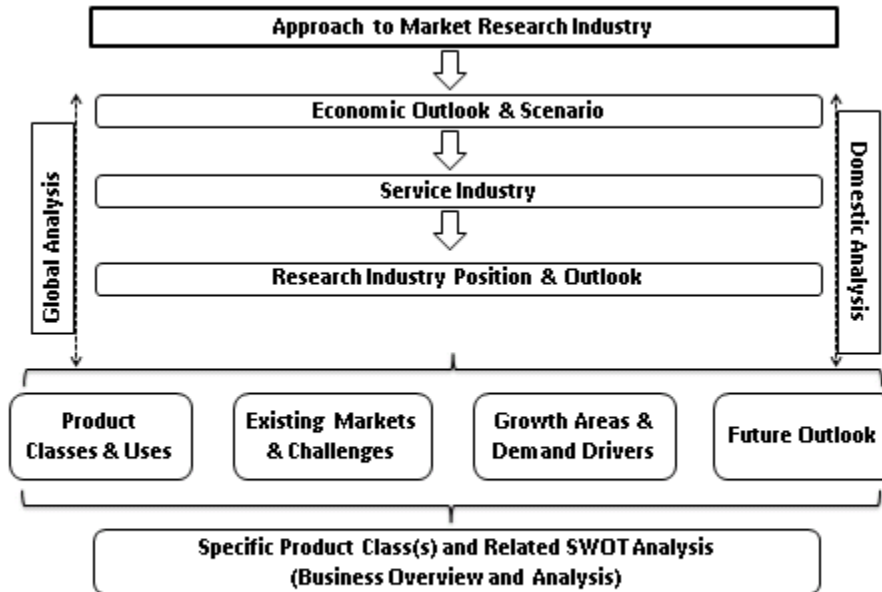
*(Source: <http://www.ibef.org/industry/agriculture-india.aspx> )*

#### **APPROACH TO RESEARCH INDUSTRY ANALYSIS**

Analysis of market research industry needs to be approached at both macro and micro levels, whether for domestic or global markets. This industry forms part of service industry at a macro level. Hence, broad picture of service industry should be at preface while analyzing the market research industry. If the entire service sector is likely to be impacted by a specific set of factors, so would, most likely, be the market research industry as well.

Service industry comprises various streams of services including insurance, banking, education, tourism, knowledge process outsourcing and the like, which in turn, have numerous sub-classes. One such robustly growing industry globally in the overall service sector is ‘market research industry’ which falls under knowledge process outsourcing sector.

Thus, market research industry segment should be analyzed in the light of ‘knowledge process outsourcing’ industry. An appropriate view on market research industry, then, calls for the overall economy outlook, performance and expectations of service sector, position of global and domestic growth and micro analysis.



*This Approach Note is developed by Pantomath Capital Advisors (P) Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of Fertilizer Industry and / or any other industry, may entail legal consequences.*

## **GLOBAL ECONOMIC ENVIRONMENT**

### **INTRODUCTION**

Since the Economic Survey and Budget were presented a year ago, the Indian economy has continued to consolidate the gains achieved in restoring macro-economic stability. Inflation, the fiscal deficit, and the current account deficit have all declined, rendering India a relative haven of macro stability in these turbulent times. Economic growth appears to be recovering, albeit at varying speeds across sectors.

At the same time, the upcoming Budget and 2016-17 (FY-2017) economic policy more broadly, will have to contend with an unusually challenging and weak external environment. Although the major international institutions are yet again predicting that global growth will increase from its current subdued level, they assess that risks remain tilted to the downside. This uncertain and fragile outlook will complicate the task of economic management for India.

The risks merit serious attention not least because major financial crises seem to be occurring more frequently. The Latin American debt crisis of 1982, the Asian Financial crisis of the late 1990s, and the Eastern European crisis of 2008 suggested that crises might be occurring once a decade. But then the rapid succession of crises, starting with Global Financial Crisis of 2008 and proceeding to the prolonged European crisis, the mini-crises of 2013, and the China provoked turbulence in 2015 all hinted that the intervals between events are becoming shorter.

This hypothesis could be validated in the immediate future, since identifiable vulnerabilities exist in at least three large emerging economies—China, Brazil, Saudi Arabia—at a time when underlying growth and productivity developments in the advanced economies are soft. More flexible exchange rates, however, could moderate full-blown eruptions into less disruptive but more prolonged volatility.





One tail risk scenario that India must plan for is a major currency re-adjustment in Asia in the wake of a similar adjustment in China; as such an event would spread deflation around the world. Another tail risk scenario could unfold as a consequence of policy actions—say, capital controls taken to respond to curb outflows from large emerging market countries, which would further moderate the growth impulses emanating from them.

In either case, foreign demand is likely to be weak, forcing India—in the short run—to find and activate domestic sources of demand to prevent the growth momentum from weakening. At the very least, a tail risk event would require Indian monetary and fiscal policy not to add to the deflationary impulses from abroad. The consolation would be that weaker oil and commodity prices would help keep inflation and the twin deficits in check.

(Source: *Economic Survey 2015-16-Volume I*; [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## **GLOBAL ECONOMIC OVERVIEW**

The global macroeconomic landscape is currently charting a rough and uncertain terrain characterized by weak growth of world output. The situation has been exacerbated by; (i) declining prices of a number of commodities, with reduction in crude oil prices being the most visible of them, (ii) turbulent financial markets (more so equity markets), and (iii) volatile exchange rates. These conditions reflect extreme risk-aversion behaviour of global investors, thus putting many, and in particular, commodities exporting economies under considerable stress.

One important positive outcome in 2015 is the modest pickup in the growth of some of the advanced economies. However, growth in emerging market and developing economies declined for the fifth consecutive year. As a result, overall global economic activity remained subdued in 2015. In its latest Update of the World Economic Outlook (WEO), published on 19 January 2016, the IMF projected growth in the global economy to improve from 3.1 per cent in 2015, to 3.4 per cent in 2016 and further to 3.6 per cent in 2017. Growth in advanced economies is projected at 2.1 per cent in 2016 and to continue through 2017 at the same rate.

The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large Emerging Market and Developing economies (EMDE) are likely to continue to weigh on their growth prospects in 2016–17. Assessments indicate that mixed inflation developments in the EMDEs reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year. The WEO update also indicated that India and the rest of emerging Asia are bright spots, with some other countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness. World trade volume growth projections have been placed at 2.6 per cent and 3.4 per cent respectively for 2015 and 2016, which is much lower than what was estimated earlier in WEO in October 2015.

(Source: *Economic Survey 2015-16-Volume II*; [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## **GLOBAL OUTLOOK FOR GROWTH**

One important positive outcome in 2015 was the modest pick-up in growth in some of the advanced economies. It might be recalled that after falling in 2009 due to the 2008 global financial crisis, growth in emerging and developing economies rebounded in 2010 and 2011. While advanced economies also exhibited a recovery in 2010 thanks to the large stimuli, global growth continued to be tepid relative to the average of the decade ending 2006, largely on account of the slowdown in advanced economies. Spill over effects of the crisis may have been large, prolonged and bi-directional, given that the global integration is far greater than in the prior decade. This has made the task of projecting global economic outlook arduous. This uncertainty has led to the International Monetary Fund (IMF) revising the global growth outlook in its World Economic Outlook (WEO) four times a year since 2009.



In its latest WEO Update, published on 19 January 2016, the IMF has projected growth in the global economy to go up from 3.1 per cent in 2015 to 3.4 per cent in 2016 and further to 3.6 per cent in 2017, slightly lower than the projection published in October 2015. Growth in advanced economies is revised by 0.2 percentage points in 2016 to 2.1 per cent, to continue through 2017. Growth in the US is expected to remain resilient owing to strengthening of the housing and labour markets. Growth in the euro area is expected to increase due to stronger private consumption supported by lower oil prices and easy financial conditions is expected to outweigh the weakening in net exports. Growth in Japan is also expected to consolidate in 2016, on the back of fiscal support, lower oil prices, accommodative financial conditions, and rising incomes.

Overall global economic activity remained subdued in 2015, as growth in emerging market and developing economies (EMDE) declined for the fifth consecutive year and recovery in advanced economies was modest. This is also attributable to the changing composition of the global economy and relative point contributions to global growth. The fall in the contribution of the EMDEs is not being made good by the advanced economies. A recent feature is that the Chinese economy is gradually slowing down and is transitioning from investment demand to consumption demand and from manufacturing to services. The concern over the spill over's of subdued global growth to other economies through trade channels and weaker commodity prices is manifest in diminishing confidence and increasing volatility in financial markets. In addition, a dual monetary policy—a gradual tightening in monetary policy in the US in the backdrop of its resilient recovery and easy monetary policy in several other major advanced economies has led to continued uncertainties and poses challenges for the year ahead. In the case of EMDEs, growth remained subdued at 4 per cent in 2015, but is projected to increase to 4.3 per cent in 2016 and 4.7 per cent in 2017. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17. Assessments indicate that mixed inflation developments in EMDEs reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year. The 19 January WEO Update also indicated that India and the rest of emerging Asia are bright spots, albeit with some countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness. The IMF's growth forecast for India is 7.5 per cent in 2016 and 2017 and this surpasses the projection of 6.3 per cent and 6.0 per cent respectively for China. The level of global economic activity has a significant and direct bearing on the growth prospects of the emerging economies through trade channels. As per the Update, world trade volume growth projections have been placed at 3.4 per cent and 4.1 per cent respectively for 2016 and 2017 lower by 0.7 percentage points to 0.5 percentage point respectively from WEO, October 2015. The World Bank's Report on Global Economic Prospects (January 2016) also estimated that India will grow by a robust 7.8 per cent in 2016 and 7.9 per cent in the following two years. Compared to other major developing countries, the report maintained that India is well positioned to withstand near-term headwinds and volatility in global financial markets due to reduced external vulnerabilities, a strengthening domestic business cycle, and a supportive policy environment.

(Source: *Economic Survey 2015-16-Volume II*; [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## THE INDIAN ECONOMY

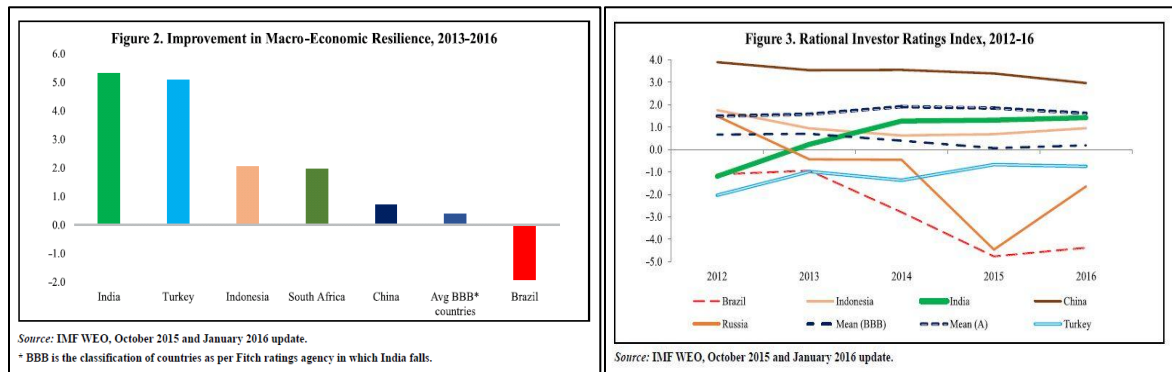
The Indian economy has continued to consolidate the gains achieved in restoring macroeconomic stability. A sense of this turnaround is illustrated by a cross-country comparison. In last year's Survey, we had constructed an overall index of macroeconomic vulnerability, which adds a country's fiscal deficit, current account deficit, and inflation. This index showed that in 2012 India was the most vulnerable of the major emerging market countries. Subsequently, India has made the most dramatic strides in reducing its macro-vulnerability. Since 2013, its index has improved by 5.3 percentage points compared with 0.7



percentage points for China, 0.4 percentage points for all countries in India's investment grade (BBB), and a deterioration of 1.9 percentage points in the case of Brazil (Figure 2).

If macro-economic stability is one key element of assessing a country's attractiveness to investors, its growth rate is another. In last year's Survey we had constructed a simple Rational Investor Ratings Index (RIRI) which combined two elements, growth serving as a gauge for rewards and the macro-economic vulnerability index proxying for risks. The RIRI is depicted in Figure 3; higher levels indicate better performance. As can be seen, India performs well not only in terms of the change of the index but also in terms of the level, which compares favourably to its peers in the BBB investment grade and even its "betters" in the A grade. As an investment proposition, India stands out internationally.

(Source: *Economic Survey 2015-16-Volume I*, [www.indiabudget.nic.in](http://www.indiabudget.nic.in))



(Source: *Economic Survey 2015-16-Volume I*, [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

In the Advance Estimates of GDP that the Central Statistics Office (CSO) released recently, the growth rate of GDP at constant market prices is projected to increase to 7.6 per cent in 2015-16 from 7.2 per cent in 2014-15, mainly because private final consumption expenditure has accelerated. Similarly, the growth rate of GVA for 2015-16 is estimated at 7.3 per cent vis-à-vis 7.1 per cent in 2014-15. Although agriculture is likely to register low growth for the second year in a row on account of weak monsoons, it has performed better than last year. Industry has shown significant improvement primarily on account of the surprising acceleration in manufacturing (9.5 per cent vis-à-vis 5.5 per cent in 2014-15). Meanwhile, services continue to expand rapidly.

- Even as real growth has been accelerating, nominal growth has been falling, to historically low levels, an unusual trend highlighted in the Mid-Year Economic Analysis (MYEA), 2015-16.
- According to the Advance Estimates, nominal GDP (GVA) is likely to increase by just 8.6 (6.8) percent in 2015-16.
- In nominal terms, construction is expected to stagnate, while even the dynamic sectors of trade and finance are projected to grow by only 7 to 73/4 percent.
- Inflation remains under control The CPI-New Series inflation has fluctuated around 51/2 percent, while measures of underlying trends—core inflation, rural wage growth and minimum support price increases—have similarly remained muted. Meanwhile, the WPI has been in negative territory since November 2014, the result of the large falls in international commodity prices, especially oil. As low inflation has taken hold and confidence in price stability has improved, gold imports have largely stabilized, notwithstanding the end of a period of import controls



- Similarly, the external position appears robust. The current account deficit has declined and is at comfortable levels; foreign exchange reserves have risen to US\$351.5 billion in early February 2016, and are well above standard norms for reserve adequacy; net FDI inflows have grown from US\$21.9 billion in April-December 2014-15 to US\$27.7 billion in the same period of 2015-16; and the nominal value of the rupee, measured against a basket of currencies, has been steady. India was consequently well-positioned to absorb the volatility from the U.S. Federal Reserve actions to normalize monetary policy that occurred in December 2015. Although the rupee has declined against the dollar, it has strengthened against the currencies of its other trading partners.
- The fiscal sector registered three striking successes: on-going fiscal consolidation, improved indirect tax collection efficiency; and an improvement in the quality of spending at all levels of government.
- Government tax revenues are expected to be higher than budgeted levels. Direct taxes grew by 10.7 per cent in the first 9 months (9M) of 2015-16. Indirect taxes were also buoyant. In part, this reflected excise taxes on diesel and petrol and an increase in the Swachh Bharat cess. The central excise duty collection from petroleum products during April to December 2015-16 recorded a growth of 90.5 per cent and stood at Rs.1.3 lakh crore as against Rs. 0.7 lakh crore in the same period last year. Tax performance also reflected an improvement in tax administration because revenues increased even after stripping out the additional revenue measures (ARMs). Indirect tax revenues grew by 10.7 per cent (without ARMs) and 34.2 per cent (with ARMs).
- The main findings are that a welcome shift in the quality of spending has occurred from revenue to investment, and towards social sectors. Aggregate public investment has increased by about 0.6 per cent of GDP in the first 8 months of this fiscal year, with contributions from both the Centre (54 per cent) and states (46 per cent).

(Source: Economic Survey 2015-16-Volume I, [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## **DEVELOPMENTS IN THE CAPITAL MARKET**

### **PRIMARY MARKET**

In 2015-16 (April-December), resource mobilization through the public and right issues has surged rapidly as compared to the last financial year. During 2015-16 (April- December), 71 companies have accessed the capital market and raised Rs.51,311 crore, compared to Rs.11,581 crore raised through 61 issues during the corresponding period of 2014-15.

The small and medium enterprises (SME) platform of the stock exchange is intended for small and medium sized companies with high growth potential, whose post issue paid-up capital is less than or equal to Rs. 25 crore. During 2015-16 (April- December), 32 companies were listed on the SME platform, raising a total amount of Rs.278 crore as compared to Rs.229 crore raised through 28 issues in the corresponding period of 2014-15.

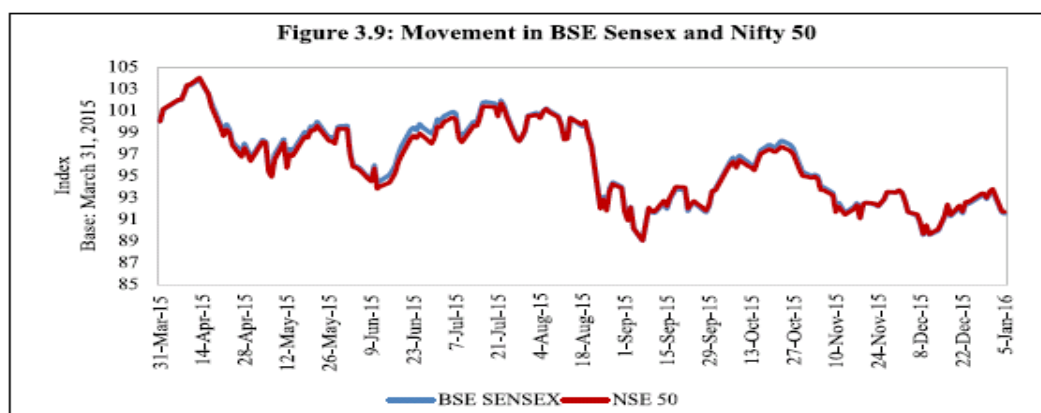
Resources mobilized by mutual funds during April-December 2015 also increased substantially to Rs.1,61,696 crore from Rs.87,942 crore mobilized during the same period of the previous year.

### **SECONDARY MARKET**

During 2015-16 so far, the Indian securities market has remained subdued (Figure 3.9). The Bombay Stock Exchange (BSE) Sensex declined by 8.5 per cent (upto 5 January 2016) over end-March 2015, mainly on account of turmoil in global equity markets in August 2015 following slowdown in China and its currency devaluation and slump in stocks. On 4 January 2016, weak Chinese manufacturing data again led to a global sell-off which caused the BSE Sensex also to decline by 538 points (2.1per cent).The downward trend in the Indian stock market was also guided by mixed corporate earnings for Q1 and Q2



of 2015- 16, FPIs' concern over minimum alternative tax (MAT), weakening of the rupee against the US dollar, investor concern over delay in passage of the Goods and Services Tax(GST) Bill, uncertainty over interest rate hike by US Fed and selling by FPIs. However, the Indian equity market has been relatively resilient during this period compared to the other major EMEs. The Indian stock market withstood the US Fed increase in interest rates in December 2015.



Source: SEBI

(Source: Economic Survey 2015-16-Volume II, [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## INDUSTRIAL PERFORMANCE

The Index of Industrial Production (IIP) which provides quick estimates of the performance of key industrial sectors has started showing upward momentum (Figure 6.1). As per IIP, the industrial sector broadly comprising mining, manufacturing and electricity attained 3.1 per cent growth during April-December 2015-16 as compared to 2.6 per cent during the same period of 2014- 15 due to the higher growth in mining and manufacturing sectors (Table 6.1). The mining, manufacturing and electricity sectors grew by 2.3 per cent, 3.1 per cent, and 4.5 per cent respectively during April-December 2015-16. The mining sector growth was mainly on account of higher coal production. The manufacturing sector was propelled by the higher production by the industry groups like furniture; wearing apparel, dressing and dyeing of fur; motor vehicles, trailers & semitrailers; chemicals and chemical products; refined petroleum products & nuclear fuel; and wood& products of wood. The growth in electricity is mainly contributed by higher growth in generation of thermal and nuclear sector.

In terms of use based classification, consumer durable goods have witnessed a remarkable growth at 12.4 per cent during April-December 2015-16. Basic goods and capital goods have registered 3.4 per cent and 1.7 per cent growth with intermediate goods by 1.9 per cent (Table 6.1).

The eight core infrastructure supportive industries, coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity that have a total weight of nearly 38 per cent in the IIP, registered a cumulative growth of 1.9 per cent during April-December 2015-16 as compared to 5.7 per cent during April-December 2014-15. Month-wise performance of the eight core sectors shows that the production of coal and fertilizers have increased substantially, while that of crude oil, natural gas and steel have mostly been negative. Refinery products, cement and electricity have attained moderate growth. Clearances for coal projects have facilitated production of coal. Crude oil and natural gas production declined because of a fall in production by Oil and Natural Gas Corporation (ONGC), Oil India Limited (OIL) and also private/joint venture (JV) companies in different months. In electricity generation, while the thermal and nuclear sectors have registered higher growth, the hydro sector has not performed well.





| Table 6.1: IIP-based Growth Rates of Broad Sectors/ Use-based Classification (in per cent) |        |         |         |         |       |       |           |         |      |       |           |
|--|--------|---------|---------|---------|-------|-------|-----------|---------|------|-------|-----------|
|  | Weight | 2013-14 | 2014-15 | 2014-15 |       |       |           | 2015-16 |      |       |           |
|  |        |         |         | Q1      | Q2    | Q3    | Apr.-Dec. | Q1      | Q2   | Q3    | Apr.-Dec. |
| General  | 100.00 | -0.1    | 2.8     | 4.5     | 1.3   | 2.0   | 2.6       | 3.3     | 4.8  | 1.5   | 3.1       |
| Sectoral   |        |         |         |         |       |       |           |         |      |       |           |
| Mining   | 14.16  | -0.6    | 1.5     | 3.0     | 0.5   | 2.1   | 1.8       | 0.4     | 3.1  | 3.3   | 2.3       |
| Manufacturing  | 75.53  | -0.8    | 2.3     | 3.9     | 0.4   | 1.1   | 1.8       | 3.7     | 4.7  | 0.9   | 3.1       |
| Electricity  | 10.32  | 6.1     | 8.4     | 11.3    | 9.4   | 9.4   | 10.0      | 2.3     | 6.8  | 4.4   | 4.5       |
| Use Based  |        |         |         |         |       |       |           |         |      |       |           |
| Basic goods  | 45.68  | 2.1     | 7.0     | 8.7     | 7.0   | 8.3   | 8.0       | 4.7     | 4.4  | 1.3   | 3.4       |
| Capital goods  | 8.83   | -3.6    | 6.4     | 13.6    | -0.5  | 3.2   | 5.1       | 2.0     | 13.4 | -10.0 | 1.7       |
| Intermediate goods   | 15.69  | 3.1     | 1.7     | 3.1     | 1.6   | 0.8   | 1.8       | 1.6     | 2.2  | 1.9   | 1.9       |
| Consumer goods   | 29.81  | -2.8    | -3.4    | -3.2    | -5.4  | -6.4  | -4.9      | 2.5     | 2.7  | 6.8   | 4.0       |
| Consumer durables  | 8.46   | -12.2   | -12.6   | -9.5    | -15.5 | -20.9 | -15.2     | 3.7     | 11.9 | 23.4  | 12.4      |
| Consumer non-durables  | 21.35  | 4.8     | 2.8     | 1.4     | 2.3   | 3.2   | 2.3       | 1.7     | -3.0 | -1.6  | -1.0      |

Source: CSO

Figure 6.1 depicts three months moving average month-on-month (M-o-M) growth of the IIP, manufacturing and eight core industries. The growth in industrial production, manufacturing sector and the eight core sectors started picking up again in December 2015. It is expected that the uptick in growth rate will be maintained due to revival in manufacturing production.

While the overall IIP has shown recovery, there is variation in the performance of some of the major industries during April-December 2015. While some sectors like electricity, coal, fertilizers, cement and passenger cars have shown positive growth, sectors like steel and aluminium have shown negative growth during April-December 2015.

(Source: Economic Survey 2015-16-Volume-II, [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## MICRO SMALL AND MEDIUM ENTERPRISES SECTOR

With 3.6 crore units spread across the country, that employ 8.05 crore people, Micro, Small and Medium Enterprises (MSME) have a contribution of 37.5 per cent to the country's GDP. The sector has huge potential for helping address structural problems like unemployment, regional imbalances, unequal distribution of national income and wealth across the country. Due to comparatively low capital costs and their forward-backward linkages with other sectors, MSMEs will play a crucial role in the success of the Make in India initiative.

Realizing the importance of the MSME sector, the government has undertaken a number of schemes/programmes like the Prime Minister's Employment Generation Programme (PMEGP), Credit Guarantee Trust Fund for Micro and Small Enterprises (CGTMSE), Credit Linked Capital Subsidy Scheme (CLCSS) for Technology Up gradation, Scheme of Fund for Regeneration of Traditional Industries (SFURTI), and Micro and Small Enterprises- Cluster Development Programme (MSECDP) for the establishment of new enterprises and development of existing ones.

Some of the new initiatives undertaken by the government for the promotion and development of MSMEs, are as follows:

- **Udyog Aadhar Memorandum (UAM):** The UAM scheme, which was notified in September 2015 under section 8 of the MSME Development Act 2006, is a path-breaking step to promote ease of doing business for MSMEs. Under the scheme, MSME entrepreneurs just need to file an online entrepreneurs' memorandum to instantly get a unique Udyog Aadhaar Number (UAN).



The information sought is on self-certification basis and no supporting documents are required. This marks a significant improvement over the earlier complex and cumbersome procedure.

- **Employment Exchange for Industries:** To facilitate match making between prospective job seekers and employers an employment exchange for industries was launched on June 15, 2015 in line with Digital India. More than 3.42 lakh job seekers have been registered on the portal as on December 30, 2015.
- **Framework for Revival and Rehabilitation of MSMEs:** Under this framework, which was notified in May 2015, banks have to constitute a Committee for Distressed MSME enterprises at zonal or district level to prepare a Corrective Action Plan (CAP) for these units.
- **A scheme for Promoting Innovation and Rural Entrepreneurs (ASPIRE):** ASPIRE was launched on March 16, 2015 with the objective of setting up a network of technology centres and incubation centres to accelerate entrepreneurship and promote start-ups for innovation and entrepreneurship in rural and agriculture based industry.

In addition, the government intends to provide more credit to MSME sectors, especially in the rural areas, focusing on skill development, encouraging entrepreneurial activities with optimistic mindset among rural youth and creating job opportunities among rural women, for high, inclusive and sustained industrial growth.

(Source: *Economic Survey 2015-16-Volume II*, [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## OUTLOOK FOR GROWTH

Real GDP growth for 2015-16 is expected to be in the 7 to 7range, reflecting various and largely offsetting developments on the demand and supply sides of the Indian economy. Before analysing these factors, however, it is important to step back and note one important point. India's long-run potential GDP growth is substantial, about 8-10 percent. But its actual growth in the short run will also depend upon global growth and demand. After all, India's exports of manufactured goods and services now constitute about 18 percent of GDP, up from about 11 percent a decade ago.

Reflecting India's growing globalization, the correlation between India's growth rate and that of the world has risen sharply to reasonably high levels. For the period 1991-2002 this correlation was 0.2. Since then, the correlation has doubled to 0.42. In other words, a 1 percentage point decrease in the world growth rate is now associated with a 0.42 percentage point decrease in Indian growth rates.

Accordingly, if the world economy remains weak, India's growth will face considerable headwinds. For example, if the world continues to grow at close to 3 percent over the next few years rather than returning to the buoyant 4-4½ per cent recorded during 2003-2011, India's medium-term growth trajectory could well remain closer to 7-7½ per cent, notwithstanding the government's reform initiatives, rather than rise to the 8-10 per cent that its long-run potential suggests. In other words, in the current global environment, there needs to be a recalibration of growth expectations and consequently of the standards of assessment.

Turning to the outlook for 2016-17, we need to examine each of the components of aggregate demand: exports, consumption, private investment and government.

- To measure the demand for India's exports, we calculate a proxy-weighted average GDP growth rate of India's export partners. The weights are the shares of partner countries in India's exports of goods and services. We find that this proxy for export demand growth declined from 3.0 percent in 2014 to 2.7 per cent in 2015, which helps explain the deceleration in India's non-oil exports, although the severity of the slowdown—in fact, a decline in export volume—went beyond adverse external developments. Current projections by the IMF indicate that trading partner growth this demand will improve marginally this year to about 2.8 percent. But the





considerable downside risks suggest that it would be prudent not to count on a big contribution to GDP growth from improving export performance.

- On the domestic side, two factors could boost consumption. If and to the extent that the Seventh Pay Commission (7th PC) is implemented, increased spending from higher wages and allowances of government workers will start flowing through the economy. If, in addition, the monsoon returns to normal, agricultural incomes will improve, with attendant gains for rural consumption, which over the past two years of weak rains has remained depressed.
- Against this, the disappearance of much of last year's oil windfall would work to reduce consumption growth. Current prospects suggest that oil prices (Indian crude basket) might average US\$ 35 per barrel next fiscal year compared with US\$ 45 per barrel in 2015-16. The resulting income gain would amount roughly equivalent to 1 percentage point of GDP – an 18 per cent price decline times a share of net oil imports in GDP of 6 percent. But this would be half the size of last year's gain, so consumption growth would slow on this account next year.
- According to analysis done by Credit Suisse, (non-financial) corporate sector profitability has remained weak, falling by 1 percent in the year to December 2015. This decline reflected a sharp deterioration in the financial health of the metals—primarily steel—companies, which have now joined the ranks of companies under severe financial stress. As a result, the proportion of corporate debt owed by stressed companies, defined as those whose earnings are insufficient to cover their interest obligations, has increased to 41 percent in December 2015, compared to 35 percent in December 2014.<sup>3</sup> In response to this stress, companies have once again been compelled to curb their capital expenditures substantially.
- Finally, the path for fiscal consolidation will determine the demand for domestic output from government. The magnitude of the drag on demand and output will be largely equal to the size of consolidation, assuming a multiplier of about 1.
- There are three significant downside risks. Turmoil in the global economy could worsen the outlook for exports and tighter financial conditions significantly. Second, if contrary to expectations oil prices rise more than anticipated, this would increase the drag from consumption, both directly, and owing to reduced prospects for monetary easing. Finally, the most serious risk is a combination of the above two factors. This could arise if oil markets are dominated by supply-related factors such as agreements to restrict output by the major producers.
- The one significant upside possibility is a good monsoon. This would increase rural consumption and, to the extent that it dampens price pressures, open up further space for monetary easing.
- Putting these factors together, we expect real GDP growth to be in the 7 to 7<sup>3/4</sup> per cent range, with downside risks because of on-going developments in the world economy. The wider range in the forecast this time reflects the range of possibilities for exogenous developments, from a rebound in agriculture to a full-fledged international crisis; it also reflects uncertainty arising from the divergence between growth in nominal and real aggregates of economic activity.

(Source: *Economic Survey 2015-16-Volume I*, [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## **INDIA'S INCREASING IMPORTANCE TO GLOBAL GROWTH**

Despite global headwinds and a truant monsoon, India registered robust growth of 7.2 per cent in 2014-15 and 7.6 per cent in 2015-16, thus becoming the fastest growing major economy in the world. As per the estimates of the International Monetary Fund (IMF), global growth averaged 3.1 per cent in 2015, declining from 3.4 per cent registered in 2014. While growth in advanced economies has improved modestly since 2013, the emerging economies have witnessed a consistently declining trend in growth



rate since 2010. It is against this background that the recent Indian growth story appears particularly bright.

India has made striking progress in its contribution to the global growth of Gross Domestic Product (GDP) in Purchasing Power Parity (PPP) terms. PPP represents the number of units of a country's currency required to purchase the same amount of goods and services in the domestic market as the US dollar would purchase in the United States, thus adjusting for purchasing power differentials between currencies in relevant markets. India's contribution to global growth in PPP terms increased from an average of 8.3 per cent during the period 2001 to 2007 to 14.4 per cent in 2014. During the 1990s, the US's contribution to the global GDP growth in PPP terms was, on an average, around 16 percentage points higher than India's. The picture changed dramatically in 2013 and 2014 when India's contribution was higher than that of the US by 2.2 and 2.7 percentage points respectively. During 1991-2014, low growth in Japan (0.9 per cent annually) resulted in its low contribution (1.5 per cent) to global growth. India and China constitute 42.5 per cent and 53.2 per cent respectively of the total PPP measure of the lower-middle income countries and upper-middle income countries; and hence those country groups largely reflect India's and China's patterns.

The global economy in particular the global growth powerhouse, China is rebalancing, leading to an increasing role for India. After the onset of the multiple crises in different parts of the world, India's contribution has become much more valuable to the global economy.

India's share in world GDP has increased from an average of 4.8 per cent during 2001-07 to 6.1 per cent during 2008-13 and further to an average of 7.0 per cent during 2014 to 2015 in current PPP terms (IMF). India's resilience and current levels of reasonably strong growth should, thus, be appreciated in the light of its increasing contribution to global growth.

(Source: *Economic Survey 2015-16-Volume II*, [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## **INDIAN SERVICE INDUSTRY**

The services sector is not only the dominant sector in India's Gross Domestic Product (GDP), but has also attracted significant foreign investment flows, contributed significantly to exports as well as provided large-scale employment. India's services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction.

Indian service sector grew at approximately 8 per cent per annum and contributed to about 64 per cent of India's GDP in FY 2015-16.

### **Market Size**

The services sector is the key driver of India's economic growth. The sector contributed around 66.1 per cent of its Gross Value Added growth in 2015-16, thereby becoming an important net foreign exchange earner and the most attractive sector for FDI (Foreign Direct Investment) inflows.!

The Indian telecommunication services market is expected to grow by 10.3 per cent year-on-year to reach US\$ 103.9 billion by 2020.

India is the eighth largest services exporter in the world. The services exports have in 2014 stood at US\$ 155.6 billion, which constitutes 7.5 per cent of the GDP. The services imports increased at a rate of 3.3 per cent to US\$ 81.1 billion in 2014-15.

Out of overall services sector, the sub-sector comprising financial services, real estate and professional services contributed 21.6 per cent to the GDP, and grew the fastest among all sub-segments at 10.3 per cent year-on-year in 2015-16. The sub-sector of trade, hotels, transport, communication and services



related to broadcasting contributed 12.6 per cent to the GDP. The third-largest sub-segment comprising public administration, defence and other services contributed nearly 12.6 per cent to the GDP.

### **Investments**

The Indian services sector has attracted the highest amount of FDI equity inflows in the period April 2000-March 2016, amounting to about US\$ 50.79 billion which is about 18 per cent of the total foreign inflows, according to the Department of Industrial Policy and Promotion (DIPP).

Some of the developments and major investments by companies in the services sector in the recent past are as follows:

- Meru Cab Company Pvt Ltd, the Mumbai-based radio cab service, has raised Rs 150 crore (US\$ 22.24 million) from Brand Capital, the investment arm of Bennett Coleman and Co, which will be used to fund advertising and provide user incentives including discounts and loyalty schemes.
- SSG Capital Management Group, a Hong Kong based Private Equity (PE) investor, has acquired a 40 per cent stake in the logistics company Future Supply Chain Solutions (FSC), for Rs 580 crore (US\$ 86 million) from existing shareholders including Future Retail (FRL) and Fung Group, promoted by billionaire Victor Fung.
- Vistra Group Ltd, a Hong Kong-based professional services provider, has acquired IL&FS Trust Company Ltd, India's largest independent corporate trust services provider, which will enable Vistra to expand the platform to provide a broader suite of corporate and fiduciary services and thereby gain a foothold in the Indian corporate services market.
- Pink Blue Supply Solutions Pvt. Ltd, a clinical supplies provider, has raised Rs 1.5 crore (US\$ 0.22 million) in a seed round of funding from TermSheet.io, a transaction-focused service provider for start-ups and investors, which will be used to ramp up technology, improve customer experience and operational capabilities, put in place smart supply chain management across hospitals and clinics, and hire larger teams.
- Icertis Inc, a contract management software maker for enterprises based out of Pune and Mumbai in India, has raised US\$ 15 million in series B round of funding from Ignition Partners and Eight Roads Ventures, which will be used to invest in marketing and expand its global operations.
- OfBusiness, an online marketplace for business-to-business (B2B) commerce, has raised US\$ 5 million in series A funding round led by Matrix Partners India, which will be used to expand the team and build a technology platform for small and medium enterprises (SMEs).
- Taskbob, a Mumbai-based home services start-up, has raised Rs 28 crore (US\$ 4.15 million) in Series A funding from investors such as IvyCap Ventures, Orios and Mayfield. The funds will be used to boost growth and expand its services to other cities in India.
- Credit Analysis and Research (CARE Ratings) has signed Memorandum of Understanding (MoU) with Japan Credit Rating Agency, Ltd (JCR) to collaborate with each other as strategic business partners.
- Shuttl, an Indian bus aggregator platform headquartered in Gurgaon, has raised US\$ 20 million in Series A funding from Lightspeed, Sequoia India and Times Internet Ltd.
- Indian logistics platform Rivigo has raised US\$ 30 million in debt and equity in Series B financing round, led by SAIF Partners. The firm aims to use the raised funds to achieve its target of scaling 10 times in the next 12 months.



- India had the strongest activity in office leasing space in Asia and accounted for half of Asia's total office leasing in third quarter of 2015, with Delhi being the most active market@.
- Fairfax India will look to acquire controlling stake in collateral management and weather advisory firm National Collateral Management Services (NCML) where the deal size could be \$150-180 million.
- Amazon, the world's largest online retailer, plans to invest Rs 31,700 crore (US\$ 4.7 billion) in India in addition to the US\$ 2 billion investment it committed two years ago, in expanding its network of warehouses, data centers and increasing its online marketplace, besides launching an instant video and subscription-based ecommerce services for high-end buyers, called Amazon Prime, later this year.
- The private security services industry in India is expected to register a growth of over 20 per cent over the next few years, doubling its market size to Rs 80,000 crore (US\$ 11.86 billion) by 2020.
- The Government of India has awarded a contract worth Rs 1,370 crore (US\$ 203.09 million) to Ricoh India Ltd and Telecommunications Consultants India Ltd (TCIL) to modernise 129,000 post offices through automation.
- Taxi service aggregator Ola plans to double operations to 200 cities in current fiscal year. The company, which is looking at small towns for growth, also plans to invest in driver eco-system, such as training centers and technology upgrade, besides adding 1,500 to 2,000 women drivers as part of its pink cab service by women for women.
- JP Morgan Asset Management (UK) Ltd, JP Morgan Investment Management Inc and JP Morgan Chase Bank NA, have together acquired 4.11 per cent stake in Mahindra & Mahindra Financial Services Ltd for Rs 113.75 crore (US\$ 16.86 million).

### **Government Initiatives**

The Government of India recognises the importance of promoting growth in services sectors and provides several incentives in wide variety of sectors such as health care, tourism, education, engineering, communications, transportation, information technology, banking, finance, management, among others.

The Government of India has adopted a few initiatives in the recent past. Some of these are as follows:

- The Government of India plans to significantly liberalise its visa regime, including allowing multiple-entry tourist and business visas, which is expected to boost India's services exports.
- The Ministry of Communication and Information Technology has announced plans to increase the number of common service centres or e-Seva centres to 250,000 from 150,000 currently to enable village level entrepreneurs to interact with national experts for guidance, besides serving as a e-services distribution point.
- The Central Government is considering a two-rate structure for the goods and service tax(GST), under which key services will be taxed at a lower rate compared to the standard rate, which will help to minimize the impact on consumers due to increase in service tax.
- By December 2016, the Government of India plans to take mobile network to nearly 10 per cent of Indian villages that are still unconnected.
- The Government of India has proposed provide tax benefits for transactions made electronically through credit/debit cards, mobile wallets, net banking and other means, as part of broader strategy to reduce use of cash and thereby constrain the parallel economy operating outside legitimate financial system.



- The Reserve Bank of India (RBI) has allowed third-party white label automated teller machines (ATM) to accept international cards, including international prepaid cards, and has also allowed white label ATMs to tie up with any commercial bank for cash supply.

### **Road Ahead**

Services sector growth is governed by both domestic and global factors. The sector is expected to perform well in FY16. Some improvement in global growth and recovery in industrial growth will drive the services sector to grow 7.4 per cent in FY16 (FY15: 7.3 per cent) The Indian facilities management market is expected to grow at 17 per cent CAGR between 2015 and 2020 and surpass the \$19 billion mark supported by booming real estate, retail, and hospitality sectors. The performance of trade, hotels and restaurants, and transport, storage and communication sectors are expected to improve in FY16. Loss of growth momentum in commodity-producing sectors had adversely impacted transport and storage sectors over the past two years. The financing, insurance, real estate, and business services sectors are also expected to continue their good run in FY16. The growth performance of the community, social and personal services sector is directly linked with government expenditure and we believe that the government will remain committed to fiscal consolidation in FY16.

Exchange Rate Used: INR 1 = US\$ 0.0148 as on July 11, 2016

(Source: <http://www.ibef.org/industry/agriculture-india.aspx> )

## **INDIAN MARKET RESEARCH INDUSTRY**

The research ecosystem in India presents a significant opportunity for multinational corporations across the world due to its intellectual capital available in the country. Legions of Indian engineers working across the globe highlight the highly trained manpower available at competitive costs. Consequently, several MNCs have shifted or are shifting their research and development (R&D) base to India. These R&D bases either develop products to serve the local market or help the parent company overseas deliver new innovative generation of products faster to the markets across the world.

Adobe System Inc expects India to contribute significantly to the overall growth of the company as a substantial portion of Adobe's core Research and Development (R&D) is being done in the country.

### **Summary**

The India Market research industry has recovered from the recession years of 2008-2010 and is back on the growth tack with revenues in 2013 of US \$ 252 million rising to US \$ 267 million in 2014.

During the last couple of years, there has been a consolidation between market research agencies in their scale of operations and data management practices.

India is the 17<sup>th</sup> largest market globally and 5<sup>th</sup> largest within Asia as per “Global Market Research 2015” of ESOMAR.

Market Research is extending from its long-established base in Consumer Durable or FMCG companies, to newer industries including IT, Hospitality, Healthcare, Aviation, Logistics, and several other industries.

### **Government Initiatives**

Overall India-based R&D Globalization and R&D Services market reached US\$ 20 billion@ in 2015, up by 9.9 per cent over 2014. R&D Services market stood at US\$ 7.76 billion and R&D Globalisation market (Captives) stood at US\$ 12.25 billion. India's R&D globalisation and services market is set to almost double by 2020 to US\$ 38 billion.





India accounts for 40 per cent (US\$ 12.3 billion) of the total US\$ 31 billion of globalised engineering and R&D in 2015.

According to the study, India-based R&D services companies, which account for almost 22 per cent of the global addressed market, grew much faster at 12.67 per cent. The market for Engineering R&D (ER&D) companies in India is mainly structured across pure play PES companies such as Cyient, QuEST, eInfochips and the larger IT companies with a PES play such as Wipro, TCS, HCL. India's ER&D services market is expected to reach US\$ 15-17 billion by 2020 and North America continues to be the largest market contributing to 55 per cent of revenues.

### **Recent Investments and developments:**

The Government of India and the Government of the United Kingdom have signed an agreement to work together in the fields of Solar Energy and Nano Material Research, which is expected to yield high quality and high impact research outputs having industrial relevance, targeted towards addressing societal needs.

The Indian Space Research Organisation (ISRO) has successfully launched 20 satellites and injected them into the required orbit, launching the maximum number of satellites in a single mission ever. The launch took place aboard the Polar Satellite Launch Vehicle (PSLV-C32) at the Satish Dhawan Space Centre in Sriharikota.

### **Import Policy**

Now a day, India is showing interest in importing urea. It would not only lead to minimize the demand-supply gap, but cheaper urea imports could also help to reduce subsidy burden on the government (if domestic demand of urea remains constant). India's domestic production of urea is about 220 lakh tonnes. To meet the demand, the country had imported 80.44 lakh tones urea. Recently, India has imported about 11.09 lakh tonnes. Average cost of imported urea was about \$ 340 per tonne.

In case of P&K fertilizers like DAP and SSP, though these fertilizers are being produced in the country, the country is almost dependent on imports of the raw materials/intermediates or imports of finished phosphatic fertilizers. There are no exploitable re-serves of potash in India and the country is fully dependent on its import to meet the demand of potassic fertilizers.

Government has taken initiatives to encourage indigenous production in P&K fertilizer sector by reducing the custom duty on phosphoric acid. P & K manufacturers in the country now can procure this important input at reasonable price. The Nutrient Based Subsidy (NBS) scheme has been announced on P & K fertilizers w.e.f. 01.04.2010 to ensure subsidy on indigenous P&K fertilizers at par with imported P & K fertilizers

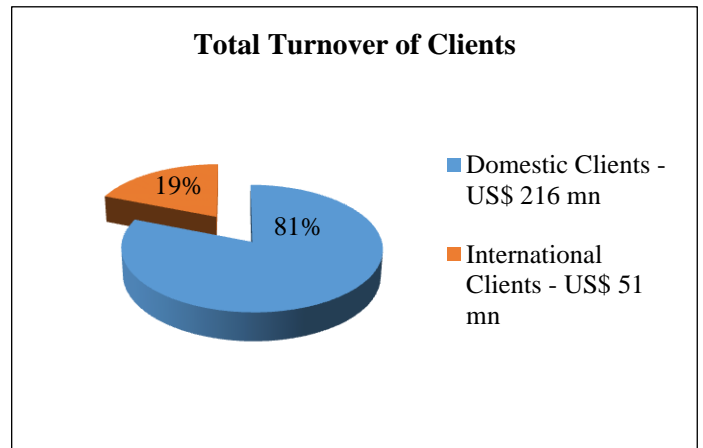
Government is also encouraging private sector and public sector companies to explore the possibilities for joint ventures abroad. It would help in ensuring uninterrupted supply of fertilizer inputs to P & K sector. During last three years, phosphatic and potash fertilizers are imported in India from various countries viz., Australia, Bahrain, Belarus, China, Canada, CIS, Estonia, Germany, Indonesia, Iran, Israel, Jordan, Korea, Kuwait, Latvia, Lithuania, Mexico, Morocco, Philippines, Russia, S. Arabia, S. Africa, Singapore, Spain, Turkey, Tunisia, USA, Ukraine and Vietnam. Import of all fertilizers except urea is free and importers are importing these fertilizers under Open General License (OGL) as per their requirements. Import of urea in the country is restricted and permitted through three State Trading Enterprises i.e. MMTC Limited (Minerals & Metals Trading Corporation), State Trading Corporation of India Limited and Indian Potash Limited.

*(Sources: Indian Fertilizer Industry; At A Glance By Renuka Kholkute [www.ifaj.org](http://www.ifaj.org))*

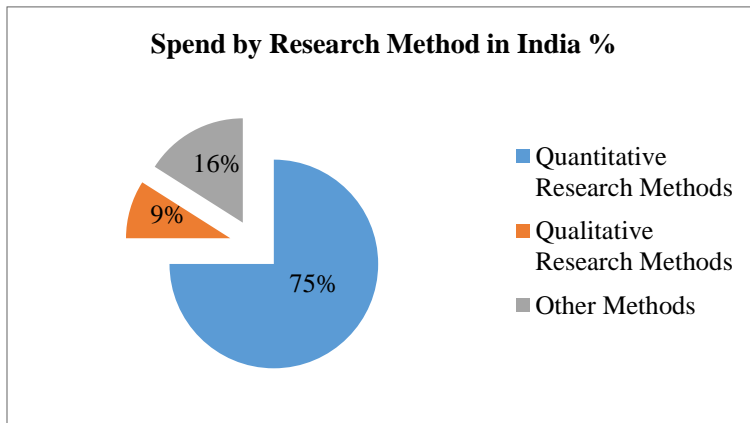


### Domestic Clients Versus International Clients

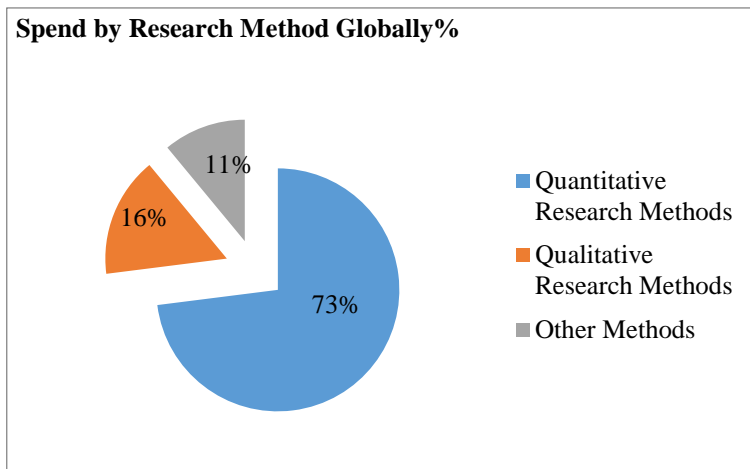
As per “Global Market Research 2015” of ESOMAR, out of the total turnover of MR Industry in India, 81% of turnover aggregating US \$ 216 million comes from domestic clients and 19% aggregating to US \$ 51 million comes from international clients in the year 2014. The client list consist of entities from varied sectors including IT, Hospitality, Healthcare, Consumer Durables, Consumer Goods, Aviation, Logistics, Automotive and other industries.



### Spend By Research Method



Out of the total expenditure in market research, 75% of the expenditure is being spent on traditional quantitative research method, whereas 9% of the expenditure is spent on qualitative research method and remaining 16% from other method in the year 2014.



One focus of MRSS is on taking advantage of the switch to qualitative methods in which India lags.

Qualitative methods account for 16% of the World market and as against 9% in India, though the gap is expected to narrow rapidly over the next few years.

MRSS will benefit as India catches up.

As per ESOMAR’s “Global Market Research 2015”:-





## GLOBAL MARKET RESEARCH INDUSTRY

### Summary

Global market research turnover reached US \$ 43,861 million in 2014 showing little overall growth. Revenue growth rates differed significantly from one region to the next. USA was the single largest research market globally, followed by Europe. Asia Pacific was the third fastest growing region in 2014, with China overtaking Japan as the biggest market in the region and replacing Japan in the top 5 markets worldwide.

### Global Market Research Turnover

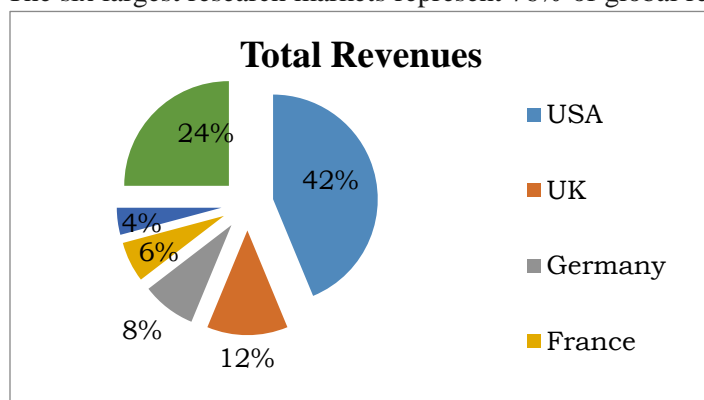
| Rank | Continent     | Sales in 2014 (million USD) | Share |
|------|---------------|-----------------------------|-------|
| 1    | North America | 19,015                      | 43%   |
| 2    | Europe        | 16,164                      | 37%   |
| 3    | Asia Pacific  | 6,099                       | 14%   |
| 4    | Latin America | 1,856                       | 4%    |
| 5    | Africa        | 404                         | 1%    |
| 6    | Middle East   | 325                         | 1%    |

*As per ESOMAR's "Global Market Research 2015":-*

- Approximately 37% of 2014 global turnover or US \$ 16,164 million was from Europe, a net decline of 0.9% from 2013.
- North America accounted for 43 % or US \$ 19,015 million, an increase of 1.9% over 2013.
- Asia Pacific's 14%, or US \$ 6,099 million, was an increase of 4.4 % over 2013.
- Latin America contributed 4% of the total turnover, or US \$ 1,856 million, showing growth of 9.5% over 2013.
- Africa contributed 1% of the total turnover or US \$ 404 million showing growth of 8.7% over 2013.
- Middle East represents only 1% of the business, but is growing in double digits.

### Largest Market Share in the year 2014 – Country Wise

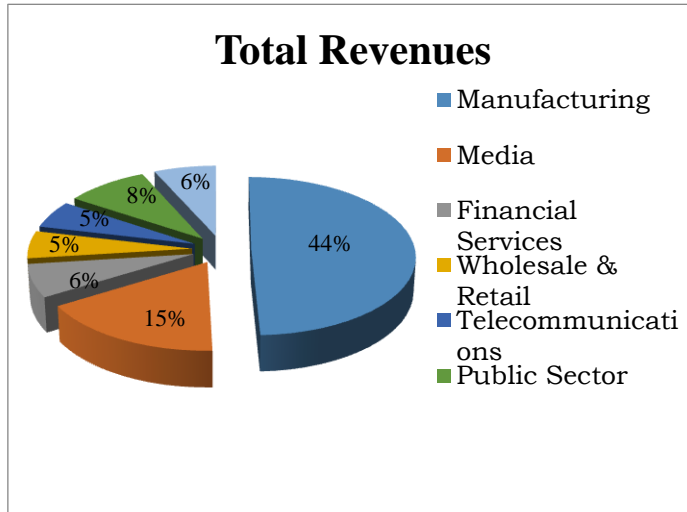
The six largest research markets represent 76% of global revenues. USA has the single largest industry at



US \$18,565 million on current estimates. UK is the second largest industry at around US \$ 5,239 million. Germany is the third largest market worldwide with US \$ 3,569 million. France and China are the fourth and fifth largest worldwide with US \$ 2,586 million & US \$ 1,780 million respectively. China has been growing at 5.58 % after adjusting for inflation.



## Global Sector Breakdown



Of the total research spend, 44% (US \$ 19,300 million) is from the Manufacturing Sector.

Media is the second largest sector globally at 15% and (US \$ 6,580 million). Financial Services account for 6% (US \$ 2,632 million) followed by Telecommunications and Wholesale & Retail both at 5% (US \$ 2,193 million each).

Public Sector is at 8% ( US \$ 2,632 million) and the remaining 6% (US \$ 4,825 million) is from all other sectors.

## FUTURE OUTLOOK

Significant change is expected within the market research industry reflecting two major two factors:

Firstly and perhaps most importantly, while market growth is quite modest, the worldwide market value estimates takes a jump to US\$ 43Bn, from US\$ 40Bn last year. For the first time, China became the 5<sup>th</sup> largest market and overtook Japan with a US\$ 1.7Bn turnover in 2014. Eventually, there will be a strong influx of research spending into emerging economy like India as well.

Secondly, there is shift in spending towards observational, co-creative, and anticipatory tools, and thus it is expected that a significant reallocation of spending shall take place within the industry.

Taking a closer look at each region, Asia Pacific remains one of the most optimistic regions. The growth of emerging markets and non-interrogatory tools will reshape the industry. Thus, the growth of the Indian market research industry seems very bright as time passes.

(Source: ESOMAR, 2015)

## KEY DEMAND DRIVERS

### A. Social Drivers

#### 1. Fragmentation

Society is fragmented with varied values, lifestyles, audiences, communication channels, and consumption habits which are very complex. Extreme, individualized choice and demands will be challenge to societies, especially traditional ones, and this could be a boon to marketers and marketing researchers who focused on selling to niches and nano-niches.

#### 2. Rise of social networks

Social networks have been one of the important key driver for the growth of market research industry. With the rise of digital social networks, user-generated content (UGC) and peer generated tribes in the society, industry evidences tremendous growth. These networks are channels and authorities themselves,



and are replacing an era of vertical, top-down communication, with horizontal, peer-to-peer communication.

## **B. Technological Drivers**

### **1. Data explosion**

Data explosion is one of the great technological driver of change for the market research industry. The data is collected in the form of customer feedback, syndicated research, transactional data, proprietary research, or observational data in the social media space which is plenty in terms of its volume. Thus, it has caused a need for specialized agencies which can extract the right data for the required purpose which has in turn caused growth in the market research industry as a whole.

### **2. New observational tools**

Observational tools are introduced at the macro-social i.e. social media, data mining, geolocation data and micro-individual i.e. eye tracking, neuro marketing level. A fundamental change in approach or underlying analysis in marketing research industry is expected as the industry as a whole is pushed from an era of asking via surveys and focus groups to an era of observing and listening.

### **3. Mobile telephony**

Mobile telephony is a very strong future driver. It would be a technology-based change agent by itself, but coupled with GPS dependent geolocation. The initial rise of mobile telephony challenged the traditional landline-based telephone survey, transitioning a significant amount of survey work online. Rise of smart phones has ensured the ability of prompt consumer feedback based on their location which could be a quantum leap forward.

## **C. Economic Drivers**

### **1. Globalization**

Globalization has helped to unlock marketing research talent pools worldwide and it is spread across the globe with integrated, analytical teams. These globally positioned teams will work round the clock and quicken the pace of organizational learning.

### **2. Consumers in the emerging economies**

There is increasing trend in the standard of living of people in the emerging markets resulting in a shift of focus from North America and Western Europe to the emerging markets such as India, China and Brazil for market researchers around the globe. The high consumption and growing economy in the developing countries drives the increase in consumer base and in-turn fuels growth of the market research industry globally.

### **3. Client demands**

There is an increase in demands of clients for a better understanding of emotional triggers and neurological function, stronger models for understanding communication and influence within social networks, and insight management. Thus, it is a strong driver for boom in market research industry.



#### 4. Nontraditional substitutes

There are increasingly sophisticated interrogatory, observational, and concrete tools developing constantly which leads to better faster and smarter research support. Industry is thus into a constant evolution and expansion.

#### **CHALLENGES FACED BY THE INDIAN MARKET RESEARCH INDUSTRY**

Gradual reduction in the ability to attract high quality talent (in the form of Post Graduates in Management as traditionally done in the past). This is due to inability of Indian research firms to pay salaries that match a variety of other new sectors that have emerged in the recent past – primarily on account of low pricing of research studies in India



## OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward-Looking Statements” beginning on page 18 of this Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Consolidated Financial Information, prepared in accordance with Indian GAAP and Companies Act and restated in accordance with the SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information as restated” beginning on pages 19 and 184, respectively

## OUR OVERVIEW

Our Company was originally incorporated as “Majestic Research Services and Solutions Private Limited” at Bengaluru, Karnataka, as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated May 2, 2012 bearing registration number 063818 issued by Registrar of Companies, Karnataka, Bangalore. Subsequently, our Company was converted in to a public limited company pursuant to Special Resolution passed by the Company at its Extra Ordinary General Meeting held on July 10, 2014 and fresh certificate of incorporation dated August 11, 2014 was issued and the name of our Company was changed to ‘Majestic Research Services and Solutions Limited’. Further our Company came out with Initial Public Offer in the year 2015 and got listed to SME exchange of BSE Ltd. on July 16, 2015. The corporate identity number of our Company is L72200KA2012PLC063818.

Our Company is the subsidiary of Majestic Market Research Support Services Limited also referred hereinafter as the “Parent Company

Majestic Market Research Support Services Limited , Rajendra Kumar Sharma and Sarang Jayant Panchal are the promoters of our Company. Sandip Bhatia and Naina Krishna Murthy were the initial subscribers to the Memorandum of Association of our Company. Subsequently the shares of Sandip Bhatia were transferred to Rajendra Kumar Sharma, and the shares of Naina Krishna Murthy were transferred to Rajendra Kumar Sharma, Harish Singh, Mani Singh Kalsi, Sarang Jayant Panchal and Sagar Bait.

Majestic Market Research Support Services Limited first acquired shares of our company on June 20, 2013. The shares of Sandip Bhatia were transferred to RajendraKumar Sharma, and the shares of Naina Krishna Murthy were transferred to RajendraKumar Sharma and Sarang Jayant Panchal on July 9, 2014.

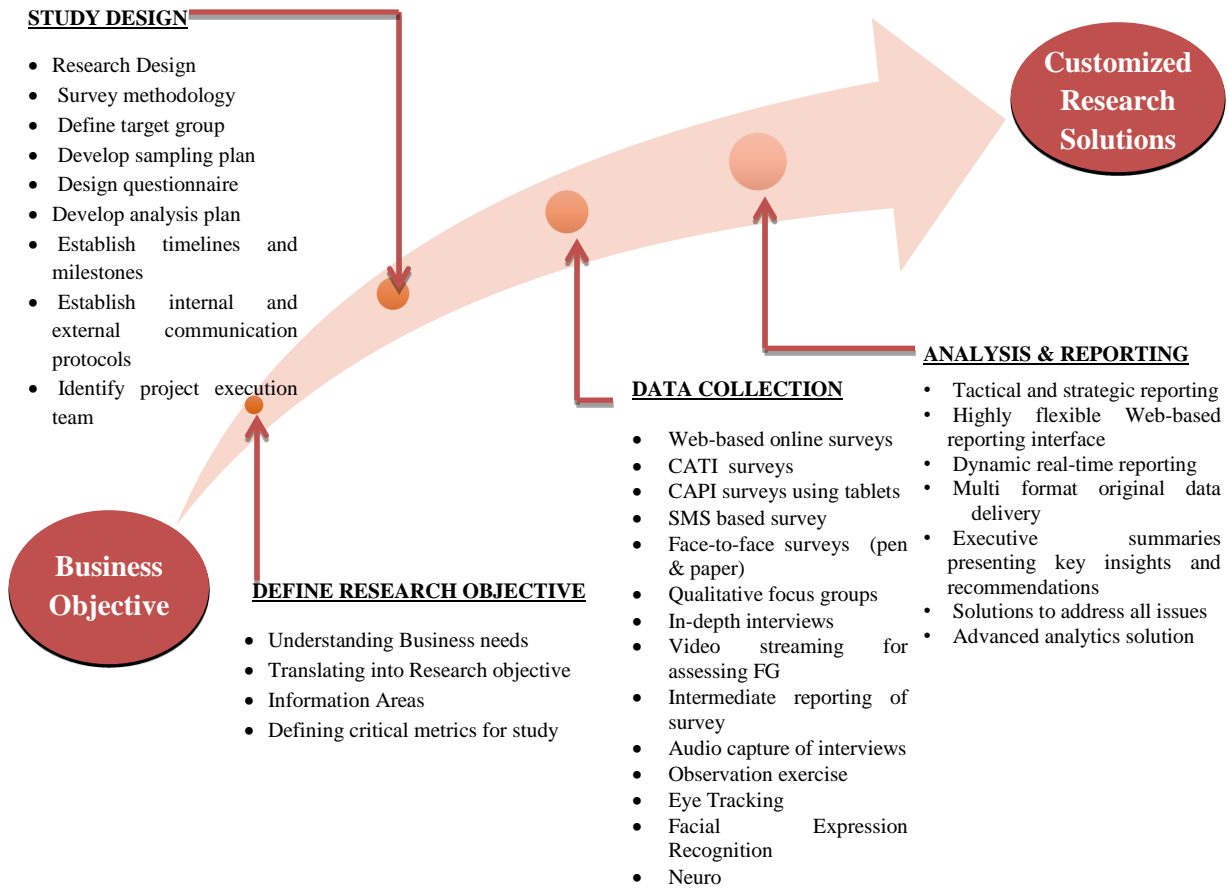
MRSS India offers customized solutions in market research that cater to business across the product life cycle. The Company focuses on market research, advertising research, brand research and consumer research and also offers an array of other research services to assist companies in developing more services. From pre-production market sizing to post-product launch monitoring, MRSS India has the appropriate resources and regional expertise to provide tailored solutions for its clients.

We provide actionable insights to our clients and assist them in making better strategic decisions in their respective lines of business. Our Company is professionally managed, with a Board of Directors comprising three independent directors and two executive directors which are experienced in the business of our Company. We strive for the following values:



- Integrity: We are committed to act in an ethical, honest manner;
- Respect : We believe that all people should be treated with consideration and dignity;
- Teamwork : We are committed to long term, effective partnerships internally as well as with our clients

**OUR RESEARCH APPROACH AND BUSINESS PROCESS**



The different stages of our business process of market research are given below:

**1. Define Research Objective:**

The first stage deals with understanding of the business needs of our esteemed clients and translating their needs into research objective which involves providing a customized service suiting their requirements. It also covers defining of informative areas and critical metrics for study.

**2. Study Design:**

After defining the research objective, the second stage consists of deriving the study design and survey methodology is what that follows. It includes studies of research designing, designing questionnaires for target group, developing of sample plan, analyzing the plan, establishing timelines and milestones and identifying the project and execution of it.

**3. Data Collection:**



Data collection stage is the third stage wherein the data is collected by means of - Web-based online surveys, CATI surveys, CAPI surveys using tablets, SMS based survey, Face-to-face surveys (pen & paper), qualitative focus group, in-depth interviews, intermediate reporting of survey, audio capture of interviews, eye trackings, Facial recognitions, Neuros, etc.

#### **4. Analysis & Reporting:**

This is the final stage where we report to our clients through tactical and strategic reporting, highly flexible web-based reporting interface, real-time reporting, executive summaries and dashboards presenting key insights and recommendations, solutions addressing all issues and advanced analytics solution.

### **OUR SPECTRUM OF INNOVATIVE RESEARCH TOOLS**

#### **Quantitative Techniques:**

As technology and socioeconomic trends change, our company believes in adapting to the new means of gaining customer insights providing better actionable insights and assists the clients in making better strategic decisions.

##### **1. Face to face Interview :**

Face to face interviewing remains the most frequently used quantitative research method. In this method interviews are conducted by our team in the respondent's home or workplace, in halls or even simply on the street. Face-to-face interviewing can offer advantages over self-completion methods such as postal and online surveys because respondents are more likely to give their undivided attention when team of interviewer are present. We have experience of face to face interviewing and has a field-force of experienced supervisors and interviewers whose work is coordinated by our project manager. All interviewers are fully trained and are given a rigorous briefing at the start of each project to ensure consistency of procedure.

##### **2. Online Survey:**

In the online surveys, the respondents are able to answer the questionnaire by means of inputting their answers while connected to the Internet. Then, the responses are automatically stored in a survey database, providing hassle-free handling of data and a smaller possibility of data errors. As the world is increasingly connected to the internet, online and mobile surveys are a powerful tool as they are relatively cost effective, quick turnaround and highly customizable.

##### **3. CATI and CAP**

Computer-assisted personal interviewing (CAPI) is an interviewing technique in which the respondent or interviewer uses a computer to answer the questions. It is similar to computer-assisted telephone interviewing, except that the interview takes place in person instead of over the telephone. This method is usually preferred over a telephone interview when the questionnaire is long and complex. It has been classified as a personal interviewing technique because an interviewer is usually present to serve as a host and to guide the respondent. If no interviewer is present, the term Computer-Assisted Self Interviewing (CASI) is used.

##### **4. Neuromarketing**

Neuromarketing is the use of brain-imaging technology to measure subconscious responses to a variety of media, including advertising, packaging, branding, television, and more. Companies around the world use neuromarketing to enhance their consumer research with insights beyond those





gained by traditional methods. Neuroscientists estimate that up to 90% of all human decision making occurs at a subconscious level. That means that people are mostly unaware of what drives their own behavior. What's more, they find it especially difficult to communicate their inner thoughts and feelings through traditional focus groups and surveys. Neuromarketing allows you to measure consumers' immediate, subconscious responses to stimuli without asking a single question. Participants simply wear state-of-the-art EEG headsets that measure the brain's response to the given stimuli.

## **5. Market Research Online Communities**

Market Research Online Communities (MROCs) are a relatively new technique for gathering real-time, qualitative market research insights. It typically consists of a closed network of like-minded respondents taking part in a series of conversations and structured exercises around a given topic.

## **6. Sensorial MR**

Sensory branding is a type of marketing that appeals to all the senses in relation to the brand. It uses the senses to relate with customers on an emotional level. Brands can forge emotional associations in the customers' minds by appealing to their senses. A multi-sensory brand experience generates certain beliefs, feelings, thoughts and opinions to create a brand image in the consumer's mind.

## **7. Indoor Audience Management**

It is a process of measuring how many and who are there in the audience. It offers an audience measurement solution which uses simple video sensor to count actual viewers and overall opportunities to see (OTS). It measures attention times and dwell times and estimates the gender and age distributions of audience. A set of metrics is made available in real time with simultaneous uploading to an online determining application. It's solutions are available as software or as an all in one device which measures the strength and impact of media. These set of solutions can be deployed in retail stores, malls, agencies, boutiques, transportation hubs, restaurants and even museums.

## **8. Digital Behavior tracking**

A software is developed that offers passive tracking programs, which helps in observing online behaviour in a non-staged environment. This software is installed on different personal devices used by participants. They only track people who have given their explicit consent and they offer anonymity to the participants. They track what websites the participants visit, apps they use, ads they see and also search terms they enter. With the combination of online behaviour and background information that participants share, it develops insights using this behaviour data.

## **9. Social Media Listening**

Social media listening has become one of the most effective ways for researchers to understand how people perceive brands and trends. It's an online research methodology that has catapulted in recent years – and for good reason; social media listening delivers a wealth of insights. We start by carefully crafting a query that weeds out unrelated mentions, and understanding the conversation on a macro level. Our goal is fully observe the conversation volume over time, noting the peaks and valleys, the sentiment, who's doing the talking and in what context. Once we understand how our topic or brand fits into the larger the picture, we can start an in-depth analysis, where we uncover nuances and real insights.

Social listening can tell us so much – key conversations and themes that surround a product/service/brand, gaps in the market, what customers think (unfiltered feedback), an untapped



target demo, competitive threats, potential influencers and brand advocates, places to source content etc.

### 10. Facial Recognition

Face analysis software provides with reliable answers about how consumers and users react spontaneously to products, brands and content, by monitoring their facial expressions and how they react to different stimuli, and by tracking where they look at. Face analysis software combines emotion recognition, demographics and eye tracking technologies in one solution. This software tracks tiny movements of facial muscles and translate them into universal facial expressions like happiness, surprise, sadness, anger and more.

### 11. Vision Critical Insight Community

It is strategic research approach that brings together the best people, ideas and practices for the digital age—blending interactive technology, strategic research, and insight communities’ expertise. It is a cutting-edge tool to engage consumers to provide a continuous conversation/feedback. It brings the voice of the consumer into the organization by getting to the heart of how customers think, and why they do the things they do. Insight communities can be local or global, targeted or broad, short-term or long-term, and can include hundreds or thousands of people.

### 12. Eye Tracker

Eye tracker is a well-established method for pre-testing and analyzing print ads, TV, out-of-home media, direct marketing, online, in game and other visual advertising. With eye tracking company can measure exactly where people look and illuminate hidden deficiencies that traditional market research methods cannot.

### 13. SMS Based Survey

We offer SMS based surveys on handheld devices. Conduct surveys on mobile devices across locations. Instant data collection report. Collate and analyze data in real-time.

### 14. Perception Analyzer

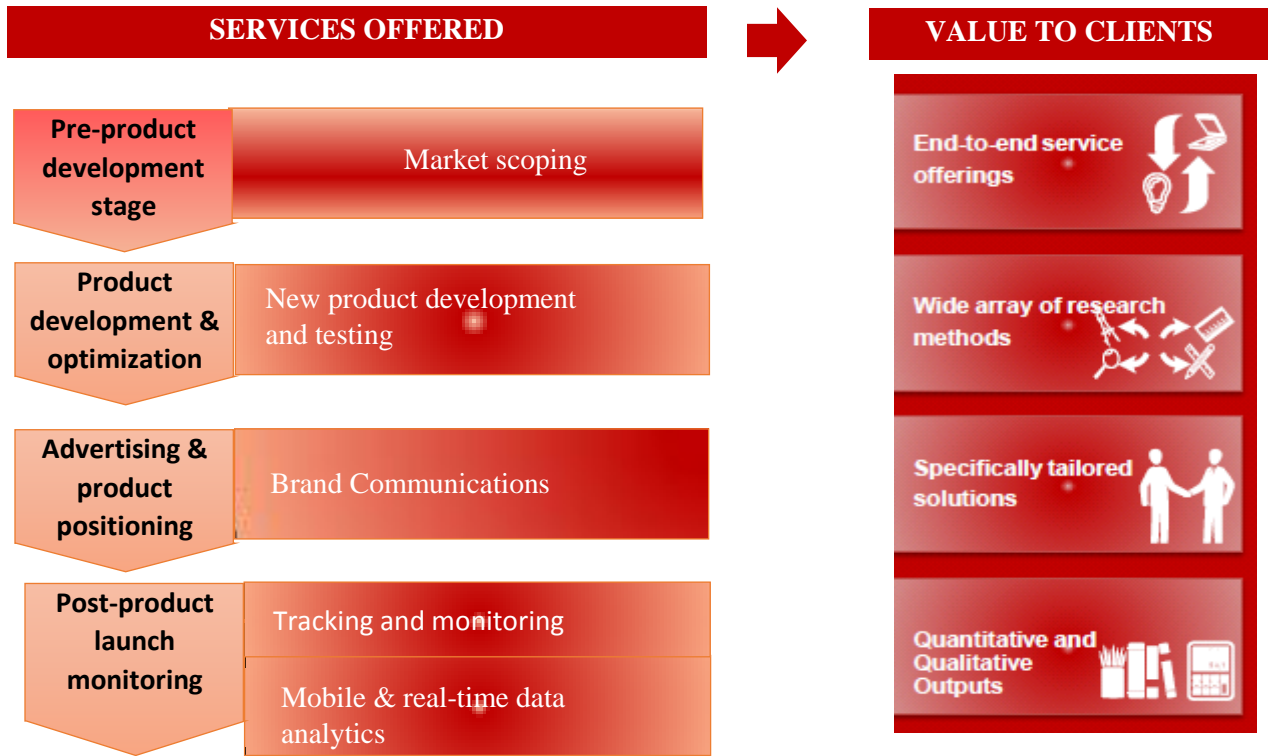
Respondents use wireless, hand-held device to answer questions and give feedback during focus groups, presentations, meetings, etc. A small wireless receiver, called a console is connected to a computer. Perception Analyzer software immediately tallies the results. Results are instantly available spondents and viewers. Results collected through the use of this device are available for analysis in crosstab, graphical, and quick frequency formats. It can also be exported to Excel, PowerPoint, SPSS, in HTML, and as JPGs or PDFs for presentations and reports.

## COUNTRY WISE EXPORT SALES FOR FINANCIAL YEAR 2015-16

| Sr. No. | Name of the Country | % of Revenue Share |
|---------|---------------------|--------------------|
| 1       | India               | 63%                |
| 2       | Middle East         | 22%                |
| 3       | South Asia          | 15%                |

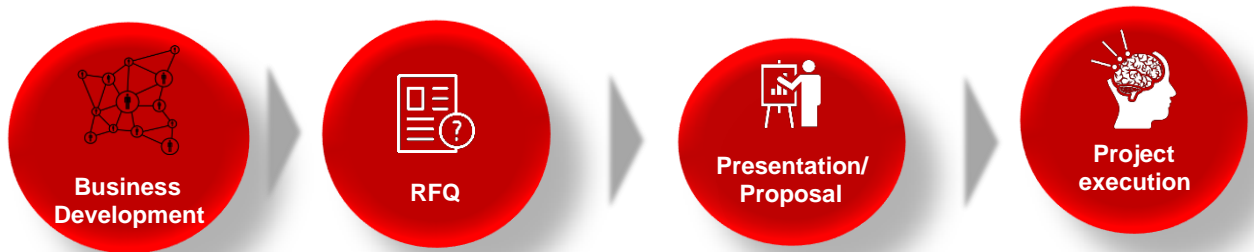


## BROAD SUITE OF END-TO-END RESEARCH SERVICE OFFERINGS



## OVERVIEW OF OUR BUSINESS MODEL

Our Company has a business model with defined workflows to ensure a timely and efficient delivery of Services. As consumers become better informed and more resistant to traditional market survey approaches, obtaining meaningful results for clients requires increasing innovation from market research companies.



We generate new clients by a variety of methods including:

|   |                                 |
|---|---------------------------------|
| Word of mouth                                       | Its brand name in the market    |
| Targeted pitching to short listed potential clients | Regular participation in events |

The pre-engagement process begins with us receiving a Request for Quotation (RFQ) from potential customers.

MRSS India prepares a presentation/proposal consisting of:

|                               |                |
|-------------------------------|----------------|
| Design & methodology of study | Study          |
| Project Costing               | Study Duration |

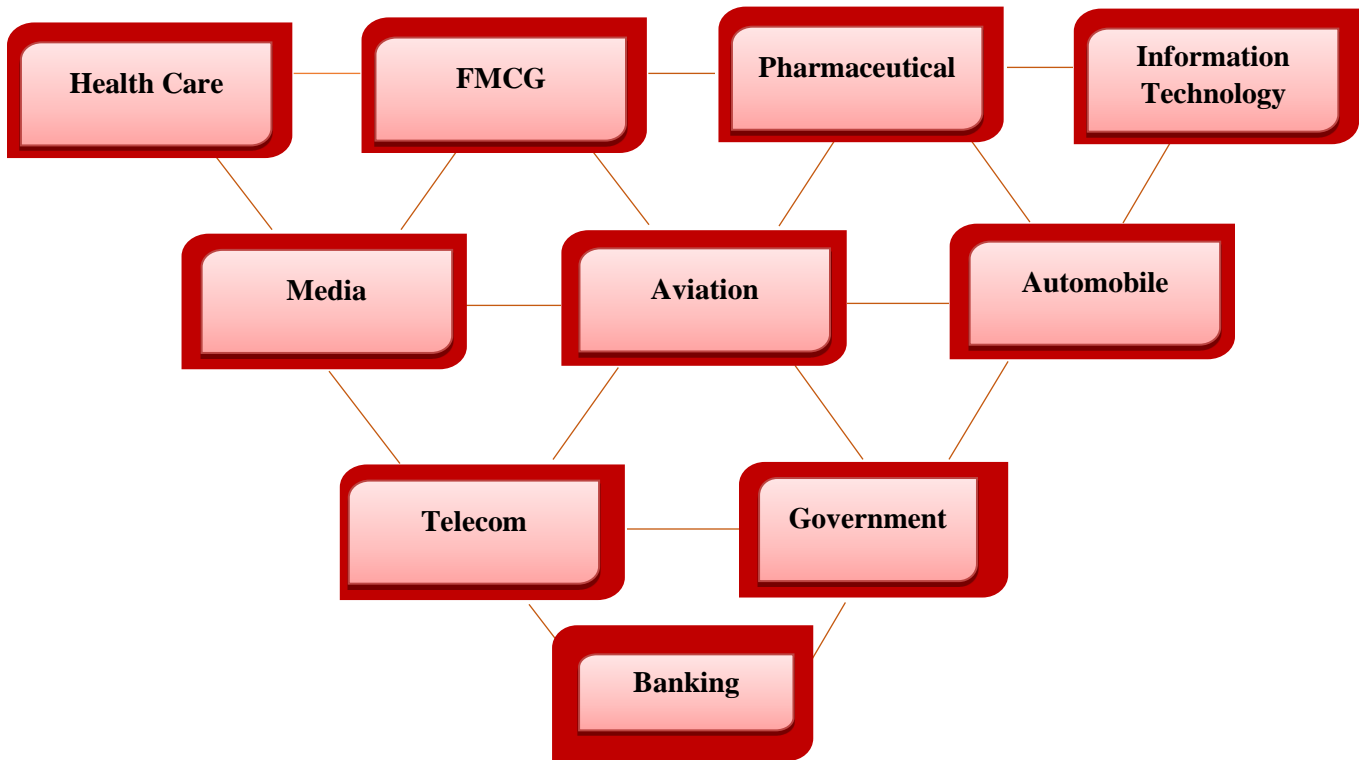
Once the mandate is won, the experienced qualitative and/or quantitative teams in the respective geographies will run the project.

|                              |                         |
|------------------------------|-------------------------|
| Reduction in Risk Management |                         |
| Advance payment upfront      | Remaining on completion |



## SECTORS IN WHICH OUR COMPANY SERVES

Our Company caters to needs of different users and diversified segments which includes government and private sectors. Among the government sector we have clients in central and state. We are not only restricted to Indian boundaries but our client base is also spread across sea in various SAARC countries. Most of the existing clients are loyal and have maintained healthy relationship with the Company.





**STRATEGIC PARTERHIPS**

Our Company has an alliance with the below companies in order to serve their clients better and create synergies:

| <i>Strategic Partners</i> | <i>Description</i>  |
|---------------------------|---|
| VISION CRTICAL            | As an official Certified Partner, Majestic has access to Vision Critical’s suite of tools including its benchmark software Sparq™, advanced and used online community panel platform in the world. Sparq™ platform enables regular feedback from customers via interactive surveys and allows them to listen to what customers are saying. This functionality means that key business questions can be answered in hours or days, rather than weeks.  |
| CURIOUS ANALYTICS         | Curious Analytics software monitors system level behavior passively on IOS and Android devices. What apps are used? How long are they used? Where are they used? This tool helps one make data driven decisions about mobile strategy, tactics, and products. This is one of the best way to assess the frequency and usage of various applications on a respondent’s phone without reading personal and confidential information.  |
| SMI                       | Eye tracking has become prevailing tool in market research. Knowing what people see and - more important - what they miss is the key to an effective marketing campaign which turns people into buyers. Eye tracking allows us to stop guessing and use the unique features to get proof into people’s attention and behavior. Eye tracking solutions are used in variety of different research fields – from commercial usability and market research studies to scientific psychology and vision research. MRSS India offers remote and wearable tracking solutions.  |
| INDIA BRIEFING            | India Briefing is a part of Asia Briefing’s portfolio that is dedicated to cover investment, business, legal, tax and HR updates relevant for foreign investors in India. Its technical publications concerning business and investment improve the understanding and transparency of investing across India and Asia. Established in 1999, Asia Briefing Ltd has been providing individuals and enterprises with the latest business and regulatory news and expert commentary on conducting business in emerging Asia   |
| WAKOOPA                   | Founded in 2007 in Amsterdam, Wakoopa is the supplier of passive metering technologies. Wakoopa unlocks quality behavioral data from research participants on personal computers, smart phones and tablets. Together with online access panels and market research companies we establish user centric behavioral datasets. This data fuels innovative research designs such as consumer journey studies and audience profiling. Under this partnership, MRSS India can now offer digital behavior data from PC or mobile devices helping clients capture a 360 degree view of their specific target audience's digital journeys. Clients can use this to build digital profiles of their consumer segments, or understand the path to purchase with insights than what can be provided from survey research alone. |
| REDJADE                   | It is a Sensory Software Suite that allows collecting data using web technology. All types of sensory tests for eg. Triangle Test, Acceptance   |



|            |  |
|------------|--|
|            | Test, Descriptive Panel Test can be done using this software. One can create projects, surveys, and analyses in RedJade and share that information with partners around the globe and have them collect the data. It also gives Multiple Language Support as the survey can be created in one language and deployed in any other language. Results can be viewed live as the testing happens in any part of the globe. |
| DIAL SMITH | Perception Analyzer Online is a full-featured online survey platform that reimagined <b>Dialsmith's</b> offline Perception Analyzer methodology to allow for continuous online feedback to video material. The result is a more engaging and in-depth respondent experience combined with analytic tools such as Moment-to-Moment video overlays and full data export for deeper analysis.                             |
| NEUROSPIRE | Neuromarketing measures consumers' immediate, subconscious responses to stimuli without asking a single question. Participants wear state-of-the-art EEG headsets that measure the brain's response to the given stimuli.  |
| REAL EYES  | This is a tracking technology which follows tiny movements of selected facial features. The location of those feature points is translated to the 6 basic emotional states - happiness, surprise, sadness, fear, anger, disgust.   |

## OUR COMPETITIVE STRENGTHS

Our Company focuses on serving its clients with a deeper insight to the customer behaviour and other services. Customer focus, creativity, quality consciousness, innovative marketing strategies and adherence to fair practices has always been the Company's overall philosophy





**1. Innovative Technology:**

Our Company has invested significant resources in technological capabilities and has developed a scalable technology system which serves as per the client's requirements and needs.

**2. Specialists with industry/sector knowledge:**

Our Company focuses on attaining highest level of customer satisfaction. The progress achieved by us is largely due to our ability to address and exceed customer satisfaction. The Promoter and Key Managerial Personnel of the Company have years of expertise and are well acquainted with domestic markets. This helps to us to understand the needs of customers better and design the products to not only meet but beat their expectations.

**3. Knowledge Management System:**

Our Company has knowledge management system for managing knowledge in organization to support creation, capture, storage and dissemination of information which enables us to provide accurate and updated information to our clients. Knowledge is the core of the services that we render. We rely on information technology to manage knowledge and enhance delivery efficiency. Our knowledge management system operates on a virtual private network and integrates data and research created by us and obtained from external sources, which can be accessed from a core database.

**4. Multi-Country research capability:**

The research capability of our country is not geographically limited to India but also covers other countries across the globe. We also provide global research analysis to the clients in their respective areas of business.

**5. Strategic Marketing Consultancy:**

Our Company focuses on providing quality products with zero defect policy to retain existing customers and develop new customer base.

**6. Categorised as SME:**

Being the only Company registered as SME in market research, we are eligible for many privileges, like:

- ✓ Preference in Government orders for being an 'Indian' entity and a 'SME'. (Make in India and Digital India initiatives by the government are highly beneficial to our company)
- ✓ No Earnest Money Deposit for bidding in government orders
- ✓ No Bank Guarantee required for bidding for Contracts, etc.

**7. Only Listed Company in Market Research:**

Being a listed entity, provides huge exposure, client recall, ensures transparency and boosts confidence.

**HUMAN RESOURCE**

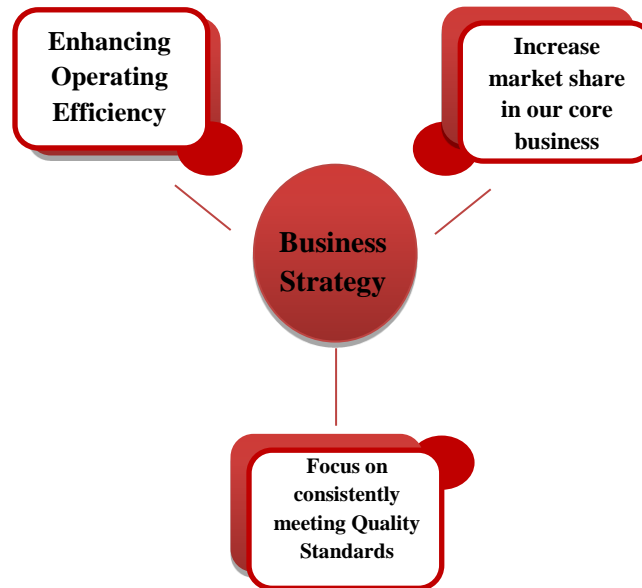
As on date of Red Herring Prospectus our Company has 34 employees on payroll. Our manpower is a prudent mix of the experienced and young personnel which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.





## BUSINESS STRATEGY

Our Company targets to satisfy the clients as per their requirements and needs. The diagram below represents our continuous growth philosophy being implemented on a day-to-day basis.



### 1. Enhancing Operating Efficiency

Our Company intends to improve operating efficiencies to achieve cost reductions to secure a competitive edge over the peers. We believe that this can be achieved through economies of scale and by channelizing expertise of our Promoter and Key Managerial Persons. Accessibility of relevant and updated information to our research team through our knowledge management system has also helped us to increase our productivity. We intend to continuously update and upgrade our knowledge management system and also intend to continue to improve employee productivity through training and technology.

### 2. Increase market share in our core business

We focus on developing market skills and relationships by imparting knowledge to employees to give importance to our clients. Our Company continuously explores growth opportunities through the acquisition of new clients and retention of existing clients. To increase our market share, we intend to continue to provide high quality service and improve our brand visibility and penetration through wider marketing initiatives. We believe that our experience and knowledge in India favorably positions us to continue to explore opportunities in other developing markets. Further, we may explore opportunities to open offices in other cities in India.

### 3. Focus on consistently meeting Quality Standards

Our Company intends to focus on adhering to global standards in providing market research service. This is necessary so as to make sure that we get retain business with our existing clients. This will also aid us in enhancing our brand image.

## PLANT & MACHINERY



Since we are into marketing, research and survey, we do not own any major plant and machinery as on the date of this Red Herring Prospectus except eye tracking device.

#### **COLLABORATIONS**

Our Company have not entered into any technical or other collaboration other than strategic partnerships as discussed in the chapter titled “*Business*” beginning on page 129 of this Red Herring Prospectus and Joint venture with German based Company as discussed in the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 150 of this Red Herring Prospectus , respectively.

#### **STANDING OF OUR COMPANY IN COMPARISON WITH PROMINENT COMPETITORS**

We believe that we operate in a fragmented sector where companies solely engaged in the same activities as of our Company have varied market share depending on various factors. We cater to Client all over India and also cater to Middle East and South Asia and would continue to do so.

#### **UTILITIES & INFRASTRUCTURE FACILITIES**

Our Company have our Registered Office 2<sup>nd</sup> Floor Kalpak Arcade, No. 46/70 Churchstreet Bengaluru 560001, our corporate office at “Trellis”, Plot No.202/203, L.B.S. Marg, Kurla (West), Mumbai – 400070 India, and regional office at C-19, D.D.A Sheds, Okhala Phase-1 New Delhi – 110020 which are well equipped with computer systems, internet connectivity, other communication equipment, security, transport and other facilities, which are required for our business operations to function smoothly.

#### **EXPORT AND EXPORT OBLIGATIONS**

Our Company doesn't have any export obligation as on the date of this Red Herring Prospectus.

#### **COMPETITION**

Market research being a global industry, we face competition from various domestic and international players. The industry is also unorganized and fragmented with many small and medium-sized companies and entities. Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company *vis-a-vis* the competitors. Though on a regional basis, a plethora of peers compete with us in all of our geographic markets.

#### **MARKETING**

Our success lies in the strength of our quality service, needs of the customer and relationship with our clients who have been associated with our Company over the period. Our team through its vast experience and good rapport with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our team is supervised by senior personnel having experience and focuses on gaining an insight into the additional needs of such clients.

#### **CAPACITY AND CAPACITY UTILISATION**

Our Company is engaged in the marketing business and hence capacity and capacity utilisation is not applicable.



## **PAST PRODUCTION FIGURES OF THE INDUSTRY**

Our Company is engaged in the marketing business and past production figures of the industry is not applicable.

## **INSURANCE**

We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage maintained. We maintain insurance policies in respect of our operations. Our Company has obtained standard fire and special perils insurance policy and burglary policy for office premises and stock in trade, etc. respectively.



## LAND AND PROPERTY

### I. Land and Properties taken on Lease by the Company




Our Company has not taken any property on lease except as stated below:

| Sr. No | Location of the property   | Document and Date                                 | Licensor/Lessor                | Lease Rent/ License Fee  | Lease/License period |                   | Purpose   |
|--------|--|---|--------------------------------|--|----------------------|-------------------|---|
|        |  |   |                                |  | From                 | To                |   |
| 1      | Duplex Office Unit No 601 and 701, Trellis Plot No 202 203, LBS Marg, Kurla West , Mumbai – 400070<br>Area :2500 sq. ft. | Leave & License Agreement Dated February 25, 2014 | M/s Narang and Shah Developers | 1 Month rent free<br>March 25, 2014 to February 24 2017 – Rs 106,000 p.m. & Amenity<br>March 25, 2014 to February 24 2017 – Rs 1,59,000 p.m<br>And same will be increased to Rs. 1,21,900 p.m. and Rs. 1,82,850 p.a. respectively. | February 25, 2014    | February 24, 2019 | To run and operate an Office for commercial purpose |
| 2.     | 2nd Floor, Kalpak Arcade, No. 46/17, Church Street, Bengaluru - 560001<br>Area : 267 sq. ft.                             | Lease Agreement dated August 11, 2016             | Mr. Ashok Kumar T              | Rs. 20,000/- p.m.  | July 1, 2016         | May 31, 2017      | Registered Office                                   |
| 3.     | C-19, D.D.A Sheds Complex, Okhala Phase-1 New Delhi – 110020   | Lease agreement dated March 21, 2016              | Raj Kumar Sharma HUF           | Rs.65,000/-Pm  | April 1, 2016        | March 31, 2019    | Commercial purpose                                  |



## INTELECTUAL PROPERTY

We have applied for the registration of the following trademark under the Trade Marks Act, 1999. The status of our application is as under:

| Sl. No. | App. No. | Description/Mark/<br>label/Word  | Applicant  | Class | Date of Expiry | Status                 |
|---------|----------|--|--|-------|----------------|------------------------|
| 1       | 2694457  | SENSOMATRIX  | Majestic Research Services and Solutions Pvt. Ltd. | 35    | NA             | Abandoned              |
| 2       | 2417670  | <br>MRSSIndia.com | Majestic Research Services and Solutions Pvt. Ltd. | 35    | NA             | Objected. Reply filed. |
| 3       | 2417671  | <br>MRSSIndia.com | Majestic Research Services and Solutions Pvt. Ltd. | 41    | NA             | Objected. Reply filed. |
| 4       | 2417672  | <br>MRSSIndia.com | Majestic Research Services and Solutions Pvt. Ltd. | 42    | NA             | Objected. Reply filed. |
| 5       | 2986666  | Majestic Implicit Research   | Majestic Research Services and Solutions Pvt. Ltd. | 35    | NA             | Objected. Reply filed. |
| 6       | 3085032  | FutureProof the Enterprise   | Majestic Research Services and Solutions Pvt. Ltd. | 35    | NA             | Objected. Reply filed. |



## KEY INDUSTRY REGULATIONS AND POLICIES

*Except as otherwise specified in this Red Herring Prospectus, the Companies Act, 1956 / the Companies Act, 2013, We are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in the field of engineering consultancy. Taxation statutes such as the I. T. Act, and applicable labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.*

### APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page 261 of this Red Herring Prospectus.

### APPLICABLE LAWS AND REGULATIONS

#### **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

##### **Information Technology Act, 2000**

Information Technology Act has been enacted to provide legal recognition for the transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as "Electronic Commerce", which involve the use of alternatives to paper based methods of communication and storage of information etc. Additionally, the said Act also provides for civil and criminal liability including fines and imprisonment for various computer related offenses. These include offenses relating to unauthorized access to computer systems, it also recognizes contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability. It also provides civil and criminal liabilities. The Information Technology Act also provides punishment for offences committed outside India.

The Department of Information Technology under the Ministry of Communications & Information Technology, Government of India, has notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (the “Personal Data Protection Rules”) which gives directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The said Rules also requires the body corporate to provide a privacy policy for handling and dealing on personal information, including sensitive personal data.

##### **The Micro, Small and Medium Enterprises Development Act, 2006**

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (“MSMED Act”) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods



pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- a) where the investment in plant and machinery does not exceed twenty-five lakh rupees shall be regarded as a micro enterprise;
- b) where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise;
- c) Where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty five days from the day of acceptance of goods. The MSMED Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (“Council”). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

The MSMED act provides for appointment and establishment of National Board by the Central Government for MSME enterprise with its head office at Delhi. The Central Government may from time to time for the purpose of promotion and development of the MSME and to enhance the competitiveness in the sector organise such programmes, guidelines or instructions, as it may deem fit. In case of any offences under this act, no court inferior to that of Metropolitan Magistrate or Chief Metropolitan Magistrate shall try the offence under this act.

### **Anti-Trust Laws**

#### **Competition Act, 2002**

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.





## **GENERAL CORPORATE COMPLIANCE**

### **The Companies Act, 1956 and The Companies Act, 2013**

The consolidation and amendment in law relating to Companies Act, 1956 made way to enactment of Companies Act, 2013. The Companies act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

## **EMPLOYMENT AND LABOUR LAWS**

### **Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("EPFMP Act")**

The EPFMP Act is applicable to the establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPFMP Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPFMP Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund.

### **Employees Provident Fund Scheme, 1952**

The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Fund Scheme, 1952. The Chairman of the Central Board shall call a meeting of the Board for the purpose of election to the Executive Committee of the members representing the employer or the employees as the case may be. In case of meetings a notice of not less than 15 days from the date of posting with all the required details of the meeting shall be dispatched by registered post or by special messenger to each trustee or the member of committee that are present in India. The provisions relating to Chairman presiding over the meeting or Quorum or nomination of the business are laid down under the scheme. A previous sanction of the Central Government for undertaking any work by the Central provident fund commissioner and the financial adviser. The act gives an express provision for classes of employees and membership of the fund.

### **Payment of Wages Act, 1936 ("Wages Act")**

Payment of Wages Act, 1936 contains provisions as to the minimum wages that are to be fixed by the appropriate Governments for the employees, fixation and revision for the minimum wages of the employees, entitlement of bonus to the employees, fixing the payment of wages to workers and ensuring



that such payments are disbursed by the employers within the stipulated time frame and without any unauthorized deductions.

### **Minimum Wages Act, 1948 (“MWA Act”)**

The Minimum Wages Act, 1948 gives power to appropriate government (Central or State) to fix minimum wages to be paid to the persons employed in scheduled or non scheduled employment and the concerned employer is required to pay the minimum wages, fixed by the appropriate government. Such employer is also required to maintain registers and exhibits giving the particulars of wages paid to employees.

### **Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment covered under this Act to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

### **Maternity Benefit Act, 1961**

The Maternity Benefits Act, 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides, inter alia, for paid leave of 12 weeks, payment of maternity benefits and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

### **Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention of discrimination, on the ground of sex. It states that no employer shall pay to any worker, employed by him in an establishment or employment, remuneration, whether payable in cash or in kind, at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment or employment for performing the same work or work of a similar nature.

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

In order to curb the rise in sexual harassment of female at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

## **TAX RELATED LEGISLATIONS**

### ***Income-tax Act, 1961***

The IT Act is the law relating to taxes on income in India. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. In accordance with the IT Act, any income earned by way of profits by a company incorporated in India is subject to tax levied on it in accordance with the rates as declared as part of the annual Finance Bill. Companies can also avail certain benefits under the IT Act, if eligible.



### **Service Tax**

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5<sup>th</sup> / 6<sup>th</sup> of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25<sup>th</sup> of the month immediately following the half year to which the return relates.

### **OTHER LAWS**

#### **Shops and establishments laws in various states**

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

### **INTELLECTUAL PROPERTY LEGISLATIONS**

In general the Intellectual Property Rights includes but is not limited to the following enactments:

- Indian Patents Act, 1970
- The Copyrights Act, 1957
- The Trademarks Act, 1999
- The Information Technology Act, 2000

#### **Indian Patents Act, 1970**

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

#### **The Copyright Act, 1957**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

#### **Trade Marks Act, 1999**

In light of the changes in trade and commercial practices, globalisation of trade, the need for simplification and harmonisation of trademark registration systems etc., the Indian Parliament undertook a comprehensive review of the Trade and Merchandise Marks Act, 1958 and replaced the same with the a new legislation viz. the Trade Marks Act, 1999. This Act makes trademarks law compatible with TRIPS and also harmonises it with international systems and practices. The Trade Marks Act, 1999 (the "**Trade Marks Act**") provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits any registration of



deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

### **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Income Tax Act 1961, The Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, Sale of Goods Act 1930, Indian Stamp Act 1899, Indian Registration Act 1908 and Consumer Protection Act 1986 are also applicable to the company.

### **POLICIES APPLICABLE**

#### **THE FOREIGN DIRECT INVESTMENT**

Under the current FDI Policy of 2016, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.



## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### BRIEF HISTORY AND CORPORATE PROFILE

Our Company was originally incorporated as “Majestic Research Services and Solutions Private Limited” at Bangalore, Karnataka, as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated May 2, 2012 bearing registration number 063818 issued by Registrar of Companies, Bangalore, Karnataka. Subsequently, our Company was converted in to a public limited company pursuant to Special Resolution passed by the Company at its Extra Ordinary General Meeting held on July 10, 2014 and fresh certificate of incorporation dated August 11, 2014 was issued and the name of our Company was changed to ‘Majestic Research Services and Solutions Limited’. Further our Company came out with Initial Public Offer in the year 2015 and got listed to SME exchange of BSE Ltd. on July 16, 2015. The corporate identity number of our Company is L72200KA2012PLC063818.

Our Company is the subsidiary of Majestic Market Research Support Services Limited also referred hereinafter as the “Parent Company”.

Majestic Market Research Support Services Limited , Rajendra Kumar Sharma and Sarang Jayant Panchal are the promoters of our Company. Sandip Bhatia and Naina Krishna Murthy were the initial subscribers to the Memorandum of Association of our Company. Subsequently the shares of Sandip Bhatia were transferred to Rajendra Kumar Sharma, and the shares of Naina Krishna Murthy were transferred to Rajendra Kumar Sharma, Harish Singh, Mani Singh Kalsi, Sarang Jayant Panchal and Sagar Bait.

Majestic Market Research Support Services Limited first acquired shares of our company on June 20, 2013. The shares of Sandip Bhatia were transferred to Rajendra Kumar Sharma, and the shares of Naina Krishna Murthy were transferred to Rajendra Kumar Sharma and Sarang Jayant Panchal on July 9, 2014.

MRSS India offers customized solutions in market research that cater to business across the product life cycle. The Company focuses on market research, advertising research, brand research and consumer research and also offers an array of other research services to assist companies in developing more services. From pre-production market sizing to post-product launch monitoring, MRSS India has the appropriate resources and regional expertise to provide tailored solutions for its clients. For information on our Company’s profile, activities, market, services, etc., market of each segment, capacity built-up, exports, standing of our Company in comparison with prominent competitors, with reference to its services, management, managerial competence, technology, market, major customers, environmental issues, geographical segment, etc. wherever applicable, please refer to this chapter and chapters titled “Our Business”, “Our Industry”, “Financial Statements as Restated”, “Management’s Discussion and Analysis of Financial Condition and Results of Operation”, “Government and Other Statutory Approvals” beginning on page 129, 109, 184, 241 and 261 respectively of the Red Herring Prospectus.

### CHANGE IN REGISTERED OFFICE

The details of changes in the address of our Registered Office are set forth below:

| From  | To   | Effective Date  | Reason                      |
|---|--|-----------------|-----------------------------|
| No. 715, 1st Main, 1st Stage, Indiranagar, Bengaluru – 560038, Karnataka, India | 2 <sup>nd</sup> Floor, Kalpak Arcade Number 46/17, Church Street Bengaluru – 560 001, Karnataka, India | August 20, 2014 | Administrative convenience. |



## KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

| Year | Event   |
|------|---|
| 2012 | Incorporation of our Company  |
| 2014 | Conversion of Company from Private Limited to Public Limited  |
| 2014 | Setting up of Corporate office in Mumbai  |
| 2015 | Share Subscription and Shareholders' Agreement between our Company, Mukund Tripathi and Deepa Tripathi with for purchase of shares of Emtee Research and Consultants Private Limited (ERCPL). |
|      | Initial Public offering of Equity Shares of our Company.  |
|      | Became Corporate Member of Market Research Society of India   |
|      | Our Company was conferred the digital market research agency of the year and Rajendra Kumar Sharma ,Director of the Company received digital entrepreneur of the year.                        |
| 2016 | SMERA Rating Assigned SEI A rating on parameters of highest performance capability and high financial strength.   |
|      | Atrevido Research and Consultants Private Limited ("Arcpl") (Earlier Known as Emtee Research and Consultants Private Limited) became wholly owned subsidiary of our Company.                  |
|      | Universal GmbH awards ISO 9001-2008 quality management certificate to our Company.  |
|      | "Insight Success" ranks MRSS India in top 50 Most Valuable Consultant Companies   |

## LISTING

The equity shares of our Company got listed on the SME Exchange of BSE on July 16, 2015 pursuant to the Initial Public Issue (IPO) .Total capital of Rs 142.80 Lakhs comprised of fresh issue of 11,20,000 Equity Shares of face value of Rs 10/- each for cash at a premium of Rs 2.75/- Per Share.

## MAIN OBJECTS

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

- "To carry on in India or elsewhere the business to promote, process, prepare, edit, exhibit, make, display, print, convert, buy, sell, run, export, import of all kinds of Information Technology related services, convert data in to information, Web hosting, Internet, Service Provider, Multimedia, all sort of information technology, space communications, satellite communications, communication, radio, communications, telecommunications, telephonic and telegraphic communications, wave communications, under water communications, computer communications, network communications, commercial advertisement, entertainment and other software, Compact discs, audio cassettes, advertising films, Television serials, medical transcription, e-commerce, B2B, in all languages, prevailing in the world and for this purpose to act as distributors, internet site owner, proprietor, copyright owners, video right owners, audio right owners.*
- To carry on in India or elsewhere the business to promote, process, prepare, edit, exhibit, make, display, print, convert, buy, sell, run, export, import of all kinds of information, marketing, research, maintain the services, relating to Business Process Outsourcing, the operation of the back up office, call centers, content development or animation, data processing, engineering and design services, geographic information centerservices,human resource services, insurance claim, processing center, legal data base center, medical transcription services center, payroll center, remote maintenance*





center, revenue accounting services center, support centers and website services, analyst for the data/information.

3. To be a digital marketing intelligence provider to identify prospects online, building reach and retain customers by leveraging the largest sample of online consumer behaviour.”

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Since incorporation, the following changes have been made to our Memorandum of Association:

| Date of Shareholders' Approval | Amendment  |
|--------------------------------|--|
| March 12, 2013                 | The Initial authorized share capital of Rs.50,00,000 (Rupees Fifty lakhs Only) was increased to Rs. 1,00,00,000 (Rupees One Crore Only) consisting of 10,00,000 Equity Shares of Rs. 10 each   |
| July 1, 2013                   | The authorized share capital was further increased from Rs. 1,00,00,000 (Rupees One Crore Only) consisting of 10,00,000 Equity Shares of Rs. 10 Each to Rs. 4,50,00,000 (Rupees Four Crores Fifty Lakhs Only) consisting of 45,00,000 Equity Shares of Rs. 10 each                     |
| July 10, 2014                  | Clause 1 of the Memorandum of Association of the Company changed to reflect changed name of the Company as Majestic Research Services and Solutions Limited on conversion of the Company into a Public Company.  |
| September 28, 2015             | The authorized share capital was further increased from Rs. 4,50,00,000 (Rupees Four Crores Fifty Lakhs Only) consisting of 45,00,000 Equity Shares of Rs. 10 each to Rs. 15,00,00,000 (Rupees Fifteen Crores Fifty Lakhs Only) consisting of 1,50,00,000 Equity Shares of Rs. 10 each |

### HOLDING COMPANY OF OUR COMPANY

Majestic Market Research Support Services Limited is the holding company of our Company as on the date of filing of this Red Herring Prospectus. For details regarding our Holding Company see chapter titled For details, see “Our Promoter and Promoter Group” beginning on page 174 of this Red Herring Prospectus.

### DETAILS OF OUR SUBSIDIARY AND JOINT VENTURE COMPANIES

1. **ATREVIDO RESEARCH AND CONSULTANTS PRIVATE LIMITED (“ARCPL”) (EARLIER KNOWN AS EMTEE RESEARCH AND CONSULTANTS PRIVATE LIMITED)**

#### Corporate Information

ARCPL was incorporated under the Companies Act, 2013 pursuant to a Certificate of Incorporation dated August 12, 2014, bearing registration number 270244 issued by the Registrar of Companies, Delhi is the subsidiary of our Company. The CIN of ARCPL is U74900DL2014PTC270244. The name of the Company was changed from Emtee Research and Consultants Private Limited to Atrevido Research and Consultants Private Limited pursuant to a new Certificate of Incorporation dated February 19, 2016. Our Company on February 08, 2016 acquired remaining 30% shares of ARCPL from Mukund Tripathi and Deepa Tripathi and thereby making it a wholly owned subsidiary.

#### Registered Office

The registered office is situated at C-19, D.D.A Sheds, Okhala Phase-1 New Delhi – 110020.





### Current Nature of Business

1. To carry and engage in the business of research and consultancy services in retail trade, FMCG, digital consumers at its own or in association with any Indian or foreign agency, individual, firm, company, or government undertaking either in India or abroad and to carry on the business of Primary and Secondary Market Research covering marketers, trade, consumer, shopper and services (including social, digital and electronic media) sector, management, technical, commercial and investment consultancy, consulting engineers (including regional and urban planning), operational research consultants, advisers and market surveyors, project engineers, quality control and efficiency experts, publication of books, periodicals and journals (including publications through electronic media), export and marketing services and/or management consultancy including rendering services like staff and management recruitment, training and placements, data collection, technical analysis of data, electronic data processing, preparation of projects and their progress review, critical path analysis, marketing program evaluation, organization and method studies and other economic mathematical, statistical, scientific and other modern management and / or research services, techniques and to establish and/or to render any and all consultancy and other services of professional and technical nature and to enter into any contract in relation thereto.
2. To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all types of consumer goods on retail as well as on wholesale basis in India or elsewhere.
3. To carry on the business as exhibitors of various goods, services and merchandise and to undertake the necessary activities to promote sales of goods, services and merchandise manufactured/dealt with/provided by the Company
4. To act as trader, agent, C & F agent, shipper, commission agent, distributor, representative, franchiser, consultant, collaborator, liasioner, job worker, export house of goods, merchandise and services of all grades, specifications, descriptions, on retail as well as on wholesale basis.

### Capital Structure and Shareholding Pattern

The authorized share capital of ARCPL is Rs 1,00,000 divided into 10,000 equity shares of Rs 10 each and paid-up share capital of ARCPL is Rs 1,00,000 divided into 10,000 equity shares of Rs 10 each.

The shareholding pattern of ARCPL as on the date of this RHP is as mentioned below:

| Name of the Shareholders                         | Number of Shares | Percentage of Shareholding |
|--|------------------|----------------------------|
| Majestic Research Services and Solutions Limited | 9999             | 100%                       |
| Hark Bhadoor on behalf of MRSS                   | 1                | Negligible                 |
| <b>Total</b>                                     | <b>10,000</b>    | <b>100%</b>                |

### The Board of Directors of ARCPL as on the date of the RHP.

| Sl. No. | Name of directors     |
|---------|-----------------------|
| 1.      | Rajendra Kumar Sharma |
| 2.      | Sarang Jayant Panchal |

### Financial Information

Since the Company was incorporated on August 12, 2014, the financials for the company are provided for Financial Year ended March 31, 2015 and 2016. The company commenced operation in financial year 2015-16.



Amount (Rs.in lakhs)

| Particulars                        | 2014-15 | 2015-16 |
|------------------------------------|---------|---------|
| Paid Up Capital                    | 1.00    | 1.00    |
| Reserves and Surplus               | (1.27)  | (0.08)  |
| Net Asset Value (In Rs.)           | (0.27)  | 0.92    |
| Sales/Total Income                 | 0.00    | 8.30    |
| Profit/(Loss) after Tax (PAT)      | (1.27)  | 1.18    |
| Earning per Share (In Rs.)         | (12.71) | 11.87   |
| Diluted Earning per Share (In Rs.) | (12.71) | 11.87   |
| NAV per Equity Share               | (2.71)  | 9.16    |

Source: Audited Financial Statements

### Interest of the Subsidiary in our Company

Except as stated in “Financial statement-Annexure XXIII-Consolidated statement of related party disclosures, as restated” and “Financial statement-Annexure XXIII -Standalone statement of related party disclosures, as restated” beginning on page 184. ARCPL does not hold any shares in the Company neither it has any other interest in our Company.

## 2. SCENT ANALYSIS MAJESTIC PRIVATE LIMITED (“SAMPL”)

### Corporate Information

SAMPL was incorporated under the Companies Act, 2013 pursuant to a Certificate of Incorporation dated October 10, 2014, bearing registration number issued by the Registrar of Companies, Mumbai. The CIN of SAMPL is U72200MH2014PTC258626. Our Company has Joint venture agreement dated March 20, 2014 with a German based Company namely Analysis Scent Company International GmbH which also holds 50% of the capital in the JV. We entered in this JV to maximise resources and expertise to use the sensorial marketing research methodology .

### Registered Office

The registered office of is situated at Plot No. 160, A Prem Chhaya, LBS Marg, Kurla West , Mumbai - 400070.

### Current Nature of Business

1. To carry on in India or elsewhere the business to promote, process, prepare, edit, exhibit, make, display, print, convert, buy, sell, run, export, import of all kinds of Information Technology related services, convert data in to information, Web hosting, Internet, Service Provider, Multimedia, all sort of information technology, space communications, satellite communications, communication, radio, communications, telecommunications, telephonic and telegraphic communications, wave communications, under water communications, computer communications, network communications, commercial advertisement, entertainment and other software, Compact discs, audio cassettes, advertising films, Television serials, medical transcription, e-commerce, B2B, in all languages, prevailing in the world and for this purpose to act as distributors, internet site owner, proprietor, copyright owners, video right owners, audio right owners.
2. To carry on in India or elsewhere the business to promote, process, prepare, edit, exhibit, make, display, print, convert, buy, sell, run, export, import of all kinds of information, marketing, research,



maintain the services, relating to Business Process Outsourcing, the operation of the back up office, call centers, content development or animation, data processing, engineering and design services, geographic information center services, human resource services, insurance claim, processing center, legal data base center, medical transcription services center, payroll center, remote maintenance center, revenue accounting services center, support centers and website services, analyst for the data/information.

3. To be a digital marketing intelligence provider to identify prospects online, building reach and retain customers by leveraging the largest sample of online consumer behaviour.

### Capital Structure and Shareholding Pattern

The authorized share capital of SAMPL is Rs 1,00,000 divided into 10,000 equity shares of Rs 10 each and paid-up share capital of SAMPL is Rs 1,00,000 divided into 10,000 equity shares of Rs 10 each.

The shareholding pattern of SAMPL as on the date of this RHP is as mentioned below:

| Name of the Shareholders                         | Number of Shares | Percentage of Shareholding |
|--|------------------|----------------------------|
| Majestic Research Services and Solutions Limited | 5,000            | 50%                        |
| Analysis Scent Company International GmbH        | 5,000            | 50%                        |
| <b>Total</b>                                     | <b>10,000</b>    | <b>100%</b>                |

### The Board of Directors of SAMPL as on the date of this RHP.

| Sl. No. | Name of directors  |
|---------|--------------------|
| 1.      | Sagar Kumar Bait   |
| 2.      | Bijaya Kumar Barik |

### Financial Information

Since the Company was incorporated on October 10, 2014, the financials for the company are provided for Financial Year ended March 31, 2015 and 2016. The Company commenced operation in financial year 2015-16.

*Amount (Rs. in lakhs)*

| Particulars                        | 2014-15 | 2015-16 |
|------------------------------------|---------|---------|
| Paid Up Capital                    | 1.00    | 1.00    |
| Reserves and Surplus               | (0.91)  | (7.41)  |
| Net Asset Value (In Rs.)           | 0.89    | (6.41)  |
| Sales/Total Income                 | 4.08    | 0.00    |
| Profit/(Loss) after Tax (PAT)      | (0.91)  | (6.50)  |
| Earning per Share (In Rs.)         | (9.10)  | (65.05) |
| Diluted Earning per Share (In Rs.) | (9.10)  | (65.05) |
| NAV per Equity Share               | 0.89    | (6.41)  |

*Source: Audited Financial Statements*

### ACCUMULATED PROFITS OR LOSSES

There are no accumulated profits or losses of our subsidiaries that are not accounted for by our Company in the consolidated financial information, as restated.

### PROMOTERS OF OUR COMPANY

The promoters of our Company are Rajendra Kumar Sharma, Sarang Jayant Panchal and Majestic Market Research Support Services Limited. For details, see “Our Promoter and Promoter Group” beginning on



page 174 of this Red Herring Prospectus.

#### **CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT**

For details regarding our capital raising activities through equity and debt, refer to the section titled “*Capital Structure*” beginning on page 69 of this Red Herring Prospectus.

#### **INJUNCTIONS OR RESTRAINING ORDERS**

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

#### **MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY**

Our Company has not merged / amalgamated itself nor has acquired any business / undertaking, since incorporation.

#### **DETAILS OF PAST PERFORMANCE**

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled “*Financial Statements*” beginning on page 184 of this Red Herring Prospectus.

#### **SHAREHOLDERS AGREEMENTS**

Our Company has not entered into any shareholders agreement as on date of filing of this Red Herring Prospectus.

#### **OTHER AGREEMENTS**

Our Company has not entered into any agreements / arrangement except under normal course of business of the Company, as on the date of filing of this Red Herring Prospectus.

#### **STRATEGIC/ FINANCIAL PARTNERS**

Our Company has alliance with strategic partners in order to serve our clients better and create synergies but does not have any financial partner as on the date of filing of this Red Herring Prospectus. For further details on strategic partners please refer to chapter titled “*Our Business*” beginning on page 129 of this Red Herring Prospectus.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS**

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Red Herring Prospectus.

#### **CONVERSION OF LOANS INTO EQUITY SHARES**

There have been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Red Herring Prospectus.

#### **CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS**

There is no change in activity of our Company since incorporation.

#### **STRIKES AND LOCKOUTS**

There have been no strikes or lockouts in our Company since incorporation.

#### **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves.



#### **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

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

#### **NUMBER OF SHAREHOLDERS**

Our Company has 105 shareholders as on September 30, 2016 . For further details on shareholders please refer to chapter titled “*Capital Structure*” beginning on page 69 of this Red Herring Prospectus.

#### **BUSINESS INTEREST BETWEEN OUR COMPANY AND OUR SUSIDIARIES**

Except as disclosed in “Related Party Transactions” on page 182, respectively, none of our Subsidiary, holding and Joint Venture have any business interest in our Company.

#### **SIGNIFICANT SALE/PURCHASE BETWEEN OUR SUBSIDIARY/ASSOCIATE/HOLDING/JV AND OUR COMPANY**

Except as disclosed in “Related Party Transactions” on page 182, respectively, none of our Subsidiary/ Associate/Holding and Joint Venture have any business interest in our Company.



## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under our Articles of Association our Company is required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. Our Company currently has 5 directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this red herring prospectus:

| Sr. No. | Name, Age, Father's / Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN   | Date of Appointment  | Other Directorships                               |
|---------|---|--|---|
| 1.      | <b>Name:</b> Sarang Jayant Panchal<br><b>Age:</b> 55 years<br><b>Father's Name:</b> Jayant Brijlal Panchal<br><b>Designation:</b> Managing Director<br><b>Address:</b> 902, 9 <sup>th</sup> floor, planet Godrej, tower-4, Starata CHS, K.K.Marg, Mahalaxmi, Mumbai-400011<br><b>Occupation:</b> Business<br><b>Nationality:</b> Indian<br><b>Term:</b> Liable to retire by rotation<br><b>DIN:</b> 00046744                                  | <b>Appointed as Managing Director</b> on June 13, 2014                               | Atrevido Research and Consultants Private Limited |
| 2.      | <b>Name:</b> Rajendra Kumar Sharma<br><b>Age:</b> 43 years<br><b>Father's Name:</b> Vidhyasagar Sharma<br><b>Designation:</b> Chairman, Whole-time Director and Chief Financial Officer<br><b>Address:</b> Plot No. 139/B, Sindhi Society, Opp. Bhakti Bhavan, Chembur, Mumbai, 400071, Maharashtra, India.<br><b>Occupation:</b> Business<br><b>Nationality:</b> Indian<br><b>Term:</b> Liable to retire by rotation<br><b>DIN:</b> 06879460 | <b>Appointed as Whole-Time Director and Chief Financial Officer</b> on June 13, 2014 | Atrevido Research and Consultants Private Limited |
| 3.      | <b>Name:</b> Rupesh Pandurang Bhujbal<br><b>Age:</b> 56 years<br><b>Husband's Name:</b> Pandurang Bhujpal<br><b>Designation:</b> Independent Director<br><b>Address:</b> 604 – A, Luv Kush Towers, Sindhi Society, Chembur, Mumbai, 400071, Maharashtra, India.<br><b>Occupation:</b> Professional  | <b>Appointment as Independent Director</b> on August 11, 2014                        | <b>Nil</b>  |



| Sr. No. | Name, Age, Father's / Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN  | Date of Appointment   | Other Directorships                         |
|---------|--|---|---|
|         | <b>Nationality:</b> Indian<br><b>Term:</b> Five years. Not liable to retire by rotation.<br><b>DIN:</b> 07500523   |   |   |
| 4.      | <b>Name:</b> Priamvada Princeton<br><b>Age:</b> 33 years<br><b>Father's Name:</b> Princeton Sundariah<br><b>Designation:</b> Independent Director<br><b>Address:</b> No. D-2, Samhita Castle, Old Varthur Road, Nagawarapalya, C.V. Raman Nagar post, Bengaluru, 560008, Karnataka, INDIA<br><b>Occupation:</b> Professional<br><b>Nationality:</b> Indian<br><b>Term:</b> Five years. Not liable to retire by rotation.<br><b>DIN:</b> 06895069 | <b>Appointment as Independent Director</b> on August 11, 2014 | PERFORMANCE DIRECT SOFTWARE PRIVATE LIMITED |
| 5.      | <b>Name:</b> Rajesh Dharambir Oberoi<br><b>Age:</b> 46 years<br><b>Father's Name:</b> Dharambir Oberoi<br><b>Designation:</b> Independent Director<br><b>Address:</b> A-11, Refinery View CHS, R C Marg,, Maroli Church, Near Ashish Theater, Chembur, Mumbai, 400074<br><b>Occupation:</b> Professional<br><b>Nationality:</b> Indian<br><b>Term:</b> Five years. Not liable to retire by rotation.<br><b>DIN:</b> 07187991                     | <b>Appointment as Independent Director</b> on May 18, 2015    | Nil   |

## BRIEF BIOGRAPHIES OF OUR DIRECTORS

### 1. Sarang Jayant Panchal

Sarang Jayant Panchal, aged 55 years is the Managing Director of our Company since June 13, 2014. He holds a Bachelor's degree in commerce from University of Bombay and Master's degree in Management studies from University of Bombay. Prior to joining our Company, he was associated with Procter & Gamble, Dun & Bradstreet, Nilsen Company. He has more than 25 years of experience in the field of alternative construction, strategy, consulting and ecommerce. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.

### 2. Rajendra Kumar Sharma





Rajendra Kumar Sharma, aged 43 years is the Whole-time Director and Chief Financial Officer of our Company since June 13, 2014. He holds a Bachelor's degree in Engineering (Electronics and Telecommunication) from University of Mumbai and Master's degree in Management studies from University of Bombay. Prior to joining our Company, he was working with Majestic Market Research Support Services Limited. He has more than 15 years of experience in finance, banking and investments. He is responsible for arranging funds for expansion, monitoring the corporate finance and accounts, ensuring timely completion of internal and statutory audits matters of our Company.

### **3. Rupesh Pandurang Bhujbal**

Rupesh Pandurang Bhujbal, aged 56 years, is an Independent Director of our Company. He holds a Bachelors' Degree in Science from University of Bombay. He has an aggregate experience of 30 years in the field of marketing. Prior to joining our Company, he was associated with Resins & Plastics Limited. He was appointed as the Independent Director of our Company on August 11, 2014.

### **4. Priamvada Princeton**

Priamvada Princeton, aged 33 years, is an Independent Director of our Company. She holds a Bachelors' Degree in Law from University of Bangalore. She has an aggregate experience of over 6 years of legal matters. She was appointed as the Independent Director of our Company on August 11, 2014.

### **5. Rajesh Dharambir Oberoi**

Rajesh Dharambir Oberoi, aged 46 years, is an Independent Director of our Company. He holds a graduation degree in Bachelors of Commerce. He has an aggregate experience of over 25 years in the field of marketing and sales in water purification segment and also provide training in areas of Memory Technique, effective communication and human relations. He was appointed as the Independent Director of our Company on May 18, 2015.

## **CONFIRMATIONS**

As on the date of this red herring prospectus:

1. None of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013:
2. There are no arrangements or understandings with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provide for benefits upon termination of employment.
4. None of the above mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
6. None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is 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.
7. We confirm that other than the disclosures made in the instant offer document nothing material has changed in respect of disclosures made by us at the time of our previous issue made on June 24, 2015.



8. We also confirm that we have made the offer document dated June 24, 2015 and in the manner specified in sub-regulation (1) of regulation 9 and subregulation (1) of regulation 61 and had also kept the document for public inspection in the manner specified in sub- para (c) of para 4 of sub-item (D) of Item (VIII) of Part A of the SEBI (ICDR) Schedule.
9. We also confirm that the Book Running Lead Banker shall certify that we are in compliance with the conditions specified not to make certain disclosures.

### **REMUNERATION / COMPENSATION OF DIRECTORS**

Except as mentioned below, no other current Directors have received remuneration during the last financial year ended on March 31, 2016:

*Rs. in lakhs*

| <b>Name of Director</b> | <b>Amount (in Rs.)</b> |
|-------------------------|------------------------|
| Sarang Jayant Panchal   | 37.65                  |
| Rajendra Kumar Sharma   | 19.43                  |

### **Terms and conditions of employment of our Directors**

#### **A. Sarang Jayant Panchal**

Sarang Jayant Panchal is the Managing Director of our Company. He was appointed as Managing Director by the Board of Directors on June 13, 2014 and confirmed by the shareholders in EGM dated July 7, 2014. The terms of the appointment of Managing Director were laid down in agreement dated July 8, 2014 entered into by and between our Company and Sarang Jayant Panchal. The remuneration payable to Sarang Jayant Panchal is Rs. 4,60,200 per month.

- (i) Salary at the rate of Rs. 4,60,200 (Rupees four lakhs sixty thousand and two hundred only) per month inclusive of dearness and all other allowances.
- (ii) The Managing Director shall be entitled for the reimbursement of actual traveling and out of pocket expenses incurred by him on Company's business.
- (iii) The total remuneration payable by the Company to Sarang Jayant Panchal excluding the perquisites shall not exceed the limits prescribed by the applicable provisions of the Companies Act, 2013.
- (iv) The appointment may be terminated by the Company or Sarang Jayant Panchal by giving notice in writing of not less than three months before such termination. The appointment may also be terminated due to any reason including/ pursuant to, but not limited to, any provisions of the Companies Act, 2013 requiring such termination or requiring the removal of Sarang Jayant Panchal as Managing Director of the Company.

#### **B. Rajendra Kumar Sharma**

Rajendra Kumar Sharma is the Whole-Time Director of our Company. He was appointed the Whole-Time Director by Board on June 13, 2014 and was confirmed by the shareholders in EGM dated July 7, 2014. The terms of the appointment of Whole-time Director were laid down in agreement dated July 8, 2014 entered into by and between our Company and Rajendra Kumar Sharma. The remuneration payable to Rajendra Kumar Sharma is Rs. 1,62,000 per month.

- (i) Salary at the rate of Rs. 1,62,000 (Rupees one lakh sixty thousand only) per month inclusive of dearness and all other allowances.



- (ii) The Whole-time Director shall be entitled for the reimbursement of actual traveling and out of pocket expenses incurred by him on Company's business.
- (iii) The total remuneration payable by the Company to Rajendra Kumar Sharma excluding the perquisites shall not exceed the limits prescribed by the applicable provisions of the Companies Act, 2013.
- (iv) The appointment may be terminated by the Company or Rajendra Kumar Sharma by giving notice in writing of not less than three months before such termination. The appointment may also be terminated due to any reason including/ pursuant to, but not limited to, any provisions of the Companies Act, 2013 requiring such termination or requiring the removal of Rajendra Kumar Sharma as Whole-time Director of the Company

#### **Sitting Fees, commission and Payments to Independent Director and Non Executive Directors**

Non-executive and Independent Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations. In the previous financial year no sitting fees were paid to any of the Independent Directors.

#### **SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY**

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our Company.

The following table details the shareholding of our Directors as on the date of this red herring prospectus:

| <b>Sr. No.</b> | <b>Name of the Director</b> | <b>No. of Equity Shares</b> | <b>% of Issued, Subscribed and paid up Equity Share Capital</b> |
|----------------|-----------------------------|-----------------------------|---|
| 1.             | Rajendra Kumar Sharma       | 9,14,495                    | 22.19%  |
| 2.             | Sarang Jayant Panchal       | 1                           | Negligible  |
|                | <b>TOTAL</b>                | <b>9,14,496</b>             | <b>22.19%</b>   |

#### **INTERESTS OF DIRECTORS**

##### **Interest in promotion of our Company**

Our Directors may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled “*Related Party Transactions*” beginning on page 182 of this red herring prospectus.

##### **Interest in the property of our Company**

Our Directors do not have any other interest in any property acquired by our Company in a period of two years before filing of this red herring prospectus or proposed to be acquired by us as on date of filing the of this red herring prospectus

##### **Interest as member of our Company**

As on date of this red herring prospectus, our Directors together hold 9,14,496 Equity Shares in our Company i.e. 22.19 % of the issued, subscribed and paid-up Equity Share Capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding and the dividend declared, if any, by our Company.

##### **Interest as a creditor of our Company**



As on the date of this red herring prospectus, our Company has not availed any loans from the Directors of our Company. For further details, refer to chapter titled “*Financial Indebtedness*” and section titled “*Related Party Transactions*” beginning on page 252 and 182 of this red herring prospectus.

### **Interest as Director of our Company**

Except as stated in the chapters titled “*Our Management*”, “*Financial Statements as Restated*” and “*Capital Structure*” beginning on pages 158, 184 and 69 of this red herring prospectus our Directors, may deemed to be interested 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 agreements entered into with our Company, if any and AoA of our Company.

### **Interest as Key Managerial Personnel of our Company**

The Whole-time Director who is also the CFO and Managing Director of our Company are also interested to the extent of being Key Managerial Personnel of our Company and does not have any interest in our Company other than to the extent of the remuneration or benefits to which he is entitled to as per his terms of appointment and reimbursement of expenses incurred by him during the ordinary course of business and to the extent of Equity Shares held by him in our Company. He may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares. Other than as disclosed above, no other Director is interested as Key Managerial Personnel of the Company. For further details, please refer to chapters titled “*Our Management*” and “*Related Party Transaction*” on page no 158 and 182 respectively of this Red Herring Prospectus

### **Interest in transactions involving acquisition of land**

Our Directors are not currently interested in any transaction with our Company involving acquisition of land. Except as stated / referred to in the heading titled “*Land and Property*” in chapter titled “*Our Business*” beginning on page 129 of the red herring prospectus, our Directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

### **Other Indirect Interest**

Except as stated in “*Financial Statements as Restated*” beginning on page 184 of this red herring prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

### **Payment of benefits to our Promoter and Promoter Group during the last two years**

Other than in the normal course of business including any advances or commission paid and Except as stated in “*Financial Statements as Restated*” beginning on page 184 of this Red Herring Prospectus, there has been no payment of any amount of benefits to our Promoter or the members of our Promoter Group during the last two years from the date of the Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter group as on the date of the Red Herring Prospectus.

Our Promoters are not interested in the appointment of or acting as Underwriters, Registrar or any such intermediaries registered with SEBI.

### **Interest in the Business of Our Company**

Save and except as stated otherwise in “*Related Party Transactions*” in the chapter titled “*Financial Statements as Restated*” beginning on page 184 of this red herring prospectus, our Directors do not have any other interests in our Company as on the date of this red herring prospectus.



## SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our director does not have any shareholding in our Subsidiary. Our Company does not have any Associate company.

## CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this red herring prospectus:

| Name                       | Date of event      | Nature of event       | Reason   |
|----------------------------|--------------------|-----------------------|--|
| Sandip Bhatia              | July 23, 2014      | Resignation           | Due to personal reason                         |
| Sarang Jayant Panchal      | June 13, 2014      | Appointment           | Appointment as Managing Director               |
| Rajendra Kumar Sharma      | June 13, 2014      | Appointment           | Appointment as Whole-time Director             |
| Priamvada Princeton        | August 11, 2014    | Appointment           | Appointment as Independent Woman Director      |
| Rupesh Pandurang Bhujbal   | August 11, 2014    | Appointment           | Appointment as Independent Director            |
| Sagar Bait                 | August 20, 2014    | Resignation           | Due to personal reason                         |
| Dinesh Laxminarayan Somani | August 20, 2014    | Appointment           | Appointment as Additional Independent Director |
| Dinesh Laxminarayan Somani | September 29, 2014 | Change in designation | Independent Director                           |
| Dinesh Laxminarayan Somani | May 18, 2015       | Resignation           | Due to personal reason                         |
| Rajesh Dharambir Oberoi    | May 18, 2015       | Appointment           | Appointment as Independent Director            |

## BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at July 10, 2014 Extra-ordinary General Meeting of our Company, consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) of the Companies Act, 2013 to borrow any sum or sums of monies from time to time notwithstanding that the money or monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of the business) may exceed the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes, provided that the total amount which may be so borrowed by the Board of Directors and outstanding at any time (apart from temporary loans obtained from the Company's bankers in the ordinary course of the business) shall not exceed Rs. 50 Crores (Rupees Fifty Crores Only) over and above the paid- up share capital and free reserves of the Company for the time being.

## CORPORATE GOVERNANCE

The provisions of the SEBI Listing Regulations are applicable to us since the Equity Shares of our Company are already listed with BSE. We are in compliance with the corporate governance code in accordance with Chapter IV (as applicable) of the SEBI Listing Regulations and the Companies Act. Our



Company undertakes to take all necessary steps to continue to comply with all the requirements of Chapter IV of the SEBI Listing Regulations as may be applicable.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has five directors out of which three are Independent Non- Executive Director.

**The following committees have been formed in compliance with the corporate governance norms:**

- A. Audit Committee
- B. Stakeholders Relationship Committee
- C. Nomination and Remuneration Committee

**A) Audit Committee**

Our Company re- constituted an audit committee ("*Audit Committee*"), as per section 177 of the Companies Act, 2013, vide resolution passed at the meeting of the Board of Directors held on June 15, 2015.

The committee presently comprises the following three (3) directors:

| <b>Name of the Director</b> | <b>Status</b> | <b>Nature of Directorship</b> |
|-----------------------------|---------------|-------------------------------|
| Rupesh Bhujbal              | Chairman      | Independent Director          |
| Priamvada Princeton         | Member        | Independent Director          |
| Rajesh Dharambir Oberoi     | Member        | Independent Director          |

The Company Secretary and Compliance Officer of the Company acts as the Secretary to the Audit Committee.

The Audit Committee shall have following powers:

- a. To investigate any activity within its terms of reference,
- b. To seek information from any employee
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

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

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the





minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. Oversight of our 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. Review and monitor the auditors independent and performance, and effectiveness of audit process;
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to, 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 subsection 5 of Section 134 of the Companies Act, 2013;
  - 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 financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications in the audit report.
6. Approval or any subsequent modification of transactions of our Company with related parties;
7. Scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of our Company, wherever it is necessary;
8. Reviewing with the management the half yearly financial statements before submission to the Board for approval;
9. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
10. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
11. 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; discussion with internal auditors of any significant findings and follow-up thereon;
12. Discussion with internal auditors of any significant findings and follow up there on;
13. 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;
14. 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;





15. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
16. To review the functioning of the 'whistle blower' mechanism, in case the same is existing;
17. 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 and background of the candidate;
18. 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;
19. Examination of the financial statement and the auditors' report thereon;
20. Evaluation of internal financial controls and risk management systems

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

### **Quorum of Audit Committee**

The quorum shall be either 2 members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of 2 Independent Directors, who are members, present.

### **B) Stakeholder's Relationship Committee**

Our Company has re-constituted a shareholder / investors grievance committee ("*Stakeholders Relationship Committee*") to redress complaints of the shareholders. The Stakeholders Relationship Committee was re-constituted vide resolution passed at the meeting of the Board of Directors held on June 15, 2015.

The Stakeholder's Relationship Committee comprises the following Directors:

| <b>Name of the Director</b> | <b>Status</b> | <b>Nature of Directorship</b> |
|-----------------------------|---------------|-------------------------------|
| Rupesh Pandurang Bhujbal    | Chairman      | Independent Director          |
| Priamvada Princeton         | Member        | Independent Director          |
| Rajesh Dharambir Oberoi     | Member        | Independent Director          |

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder's Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

- a) Consideration and redressal of grievances of the security holders of the Company, including complaints in respect of transfer of shares, non-receipt of declared dividends, balance sheets of the Company, etc.;
- b) Approval of transfer or transmission of equity shares, debentures or any other securities;
- c) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- d) Carrying out any other function contained in the equity listing agreements as and when amended from time to time; and
- e) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
- f) Reference to statutory and regulatory authorities regarding investor grievances;
- g) And to otherwise ensure proper and timely attendance and redressal of investor queries and grievances

### **Quorum for Stakeholders Relationship Committee**



The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be 2 members or one third of the members, whichever is greater.

### C) Nomination and Remuneration Committee

Our Company has re-constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The re-constitution of the Nomination and Remuneration Compensation committee was approved by a Meeting of the Board of Directors held on June 15, 2015. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

| Name of the Director     | Status   | Nature of Directorship |
|--------------------------|----------|------------------------|
| Rupesh Pandurang Bhujbal | Chairman | Independent Director   |
| Priamvada Princeton      | Member   | Independent Director   |
| Rajesh Dharambir Oberoi  | Member   | Independent Director   |

| Name of the Director     | Status   | Nature of Directorship |
|--------------------------|----------|------------------------|
| Rupesh Pandurang Bhujbal | Chairman | Independent Director   |
| Priamvada Princeton      | Member   | Independent Director   |
| Rajesh Dharambir Oberoi  | Member   | Independent Director   |

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Nomination and Remuneration Committee.

### The terms of reference of the Nomination and Compensation Committee are:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Devising a policy on Board diversity; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

### Quorum for Nomination and Remuneration Committee

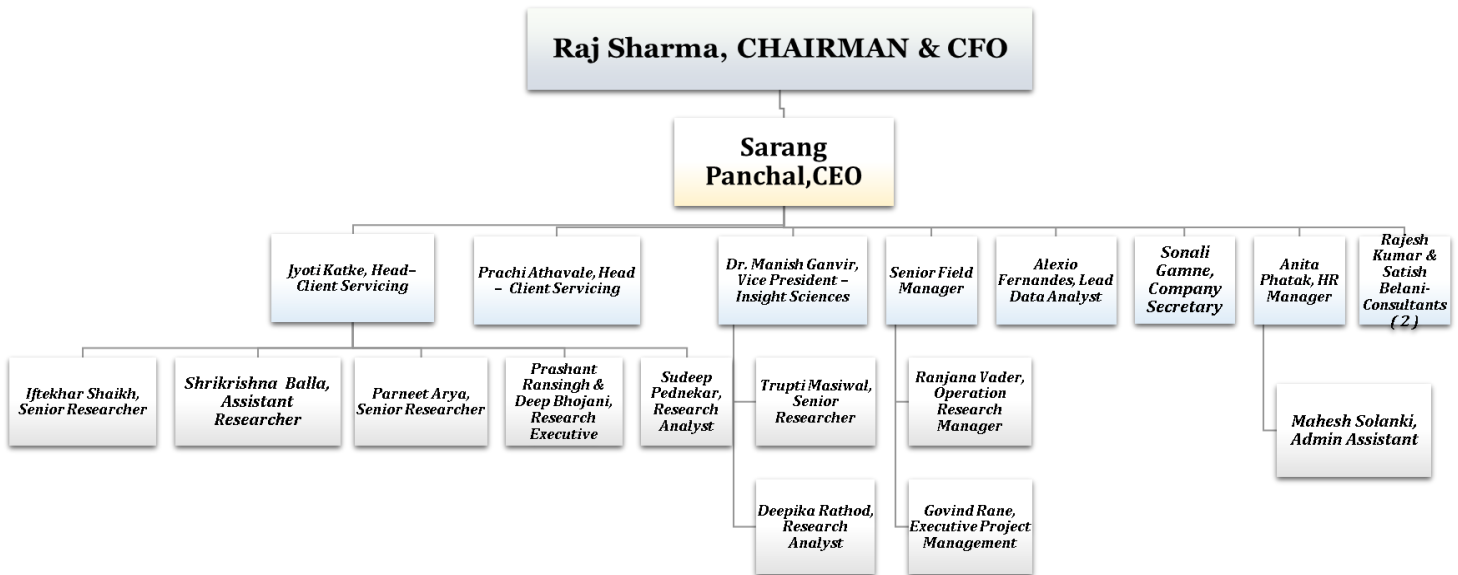
The quorum necessary for a meeting of the Remuneration Committee shall be 2 members or one third of the members, whichever is greater.

### Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, post listing of our Company's shares on the Stock Exchange.

Company Secretary & Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

## ORGANIZATIONAL STRUCTURE



## KEY MANAGERIAL PERSONNEL

Our Company is managed by its Board of Directors, assisted by qualified professionals, who are permanent employees of our Company.

None of our Key Managerial Personnel were appointed pursuant to any arrangement or understanding with major shareholders, customers and / or suppliers.

The details of our Key Managerial Personnel are set out below:

### 1. Sarang Jayant Panchal, Managing Director

Sarang Jayant Panchal, aged 55 years is the Managing Director of our Company since June 13, 2014. He holds a Bachelor's degree in commerce from University of Bombay and Master's degree in Management studies from University of Bombay. Prior to joining our Company, he was associated with Procter & Gamble, Dun & Bradstreet, Nilsen Company. He has more than 25 years of experience in the field of alternative construction, strategy, consulting and ecommerce. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.

### 2. Rajendra Kumar Sharma, Whole-time Director and Chief Financial Officer

Rajendra Kumar Sharma, aged 43 years is the Whole-time Director and Chief Financial Officer of our Company since June 13, 2014. He holds a Bachelor's degree in Engineering (Electronics and Telecommunication) from University of Mumbai and Master's degree in Management studies from University of Bombay. Prior to joining our Company, he was working with Majestic Market Research Support Services Limited. He has more than 15 years of experience in finance, banking and investments. He is responsible for arranging funds for expansion, monitoring the corporate finance and accounts, ensuring timely completion of internal and statutory audits matters of our Company.

### 3. Dr. Manish Ganvir Vice President – Insights Sciences\*



Dr. Manish has 13 years of rich experience in areas of market research, consumer insights and marketing with TNS India, IMRB, ORG-MARG, IFF, Ranbaxy and Roche Diagnostic Care. His experience spans both qualitative and quantitative researches in sectors such as Auto, FMCG, Insurance, Media, OTC and Pharma. His experience in marketing is in marketing / advertising campaigns, NPD, and media buying.. Dr. Manish has wide experience in sensory evaluation across food categories (savory, confectionaries and non-alcoholic beverages) and OTC pharma. He has setup and run full-fledged flavour sensory evaluation lab at IFF India. Dr. Manish's expertise stems from experience in designing and conducting expert sensory descriptive panels, sensory differentiator panels and consumer product evaluation studies. He is also experienced in designing creative kids' workshops, culinary workshops for idea generation and conceptualization of new food / flavour products.

**4. Chandramouli Guin, Head – Government Sector Practice\***

He has 20 years of rich experience in market research & business advisory services across industry, trade & development sectors in India for leading private enterprises, government and international funding agencies. He has experience in Skill Development, Textile, Agriculture and all industries, Automobiles, Infrastructure, Oil and Gas, Power, Chemical and Petro Chemicals, Consumer Durables, Environmental Science, Food Processing FMCG(limited), Pharmaceuticals, Housing and Real Estate, Travel & Tourism industry etc. Social/Development Sectors include Education, Microfinance & Financial Inclusion, Water and Sanitation, Rural Development & Livelihood, Sectorial Skill development.

**5. Archana Pai, VP – Custom Research (South)\***

Archana has over 7 years of work experience in market research and IT. Her expertise lies in Stakeholder satisfaction measurement and she has worked across a wide range of industry verticals such as Telecom, Retail, Ecommerce, Manufacturing, Infrastructure etc. Prior to joining MRSS India, she has worked with IMRB International. Archana is an Electronics and Instrumentation Engineer and holds a degree in Management from MICA

**6. Meghna Mathur, Project Head\***

Meghna Mathur, aged 34, is the Project Head of our Company. She has joined our Company on May 27, 2013. She holds Bachelor of Engineering in Computer Science & Engineering from Government College of Technology, Coimbatore. She also holds Post Graduate Executive Development in Media Management from Mundra Institute of Communications, Ahmedabad. She has more than 5 years of in media management and prior to joining our Company she was associated with Group M Media India Private Limited and Audience Measurement & Analytics Pvt. Ltd.

**7. Anita Phatak, Admin & HR \***

Has 19 years of work experience in Project Management handling Qualitative research studies. She was involved in each project to assist the research team. Working with MRSS India from last 1 year as Assistant to MD also handling HR and Administration work. Anita is Post graduate with subject Ancient Indian Culture and also completed her one year Diploma in Marketing Management.

**8. Sonali Gamne, Company Secretary and Compliance Officer**

Sonali Gamne, aged 26, is the Company Secretary and Compliance Officer of our Company. Sonali Gamne is a qualified company secretary and is an associate member of Institute of Company Secretary of India. Sonali Gamne has around 2 years of work experience. Prior to joining our Company, she was associated with R.C Jain & Associates. She has joined our Company on February 16, 2015 as a Company Secretary entrusted with the responsibility of handling corporate secretarial functions of our Company.



## 9. Jyoti Katke, Senior Head- Client Servicing\*

Jyoti Katke, aged 41 years, is the Senior Head- Client Servicing of our Company. She has joined our Company on June 16, 2014. She has obtained a Master's degree in Science from University of Mumbai. She has 16 years of experience and, prior to joining our Company, was associated with Nielsen (India) Private Limited. Since Jyoti Katke has joined our Company on June 16, 2014, and remuneration has been paid to her for the Financial year 2015 .

\* Individuals at serial no 3, 4, 5 ,6, 7 & 9 are not KMP within the meaning of the Companies Act, 2013.

### **RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL**

None of the key managerial personnel are related to the each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

### **RELATIONSHIPS OF DIRECTORS/ PROMOTERS WITH KEY MANAGERIAL PERSONNEL**

There is no relationship between the key managerial personnel, Promoter and Director of our Company. All of Key Managerial Personnel are permanent employee of our Company, within the meaning of Section 2(47) of the Companies Act, 2013.

### **SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL**

Rajendra Kumar Sharma, Whole-Time Director and Chief Financial Officer holds 9,14,495 Equity shares and Sarang Jayant Panchal, Managing Director, holds 1 Equity Shares of the company on the date of this Red Herring Prospectus.

### **ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS**

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

### **REMUNERATION/COMPENSATION PAID TO KEY MANAGERIAL PERSONNEL**

During the last financial year ended on March 31, 2016, Rajendra Kumar Sharma, Whole-Time Director and Chief Financial Officer of our Company and thus the Key Managerial Personnel has been paid gross remuneration as 20.73 lakhs per year. Sarang Jayant Panchal, Managing Director of our Company and thus the Key Managerial Personnel has been paid gross remuneration as 37.65 lakhs per year

For details regarding his remuneration, refer heading titled "Remuneration/Compensation/Commission paid to Director" in the chapter titled "Financial Statements as Restated" beginning on page 184 of this Red Herring Prospectus.

### **BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS**

There is no profit sharing plan for the Directors. Our Company makes certain performance linked bonus payment for each financial year to certain Directors or Key Managerial Personnel as per their terms of employment.

### **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS**

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

### **CHANGES IN KEY MANAGERIAL PERSONNEL SINCE INCEPTION**

The changes in the Key Managerial Personnel since inception are as follows:



| Name of Key Managerial Personnel | Designation                              | Date of Event      | Reason      |
|----------------------------------|--|--------------------|-------------|
| Mitti Jain                       | Company Secretary and Compliance Officer | August 11, 2014    | Appointment |
|                                  |  | February 20, 2014  | Resignation |
| Rashid Pattakal                  | Head –Client Servicing                   | September 2, 2013  | Appointment |
|                                  |  | February 12, 2015  | Resignation |
| Sankalp Shire                    | Senior Project Head                      | April 16, 2014     | Appointment |
|                                  |  | September 12, 2015 | Resignation |
| Rekha Tiwari                     | Senior Human Resources Manager           | April 7, 2014      | Appointment |
|                                  |  | July 25, 2015      | Resignation |
| Bhawana Sinha                    | Senior Head – Client Servicing           | October 21, 2013   | Appointment |
|                                  |  | January 16, 2015   | Resignation |
| Manish Shah                      | National Field Head                      | May 2, 2014        | Appointment |
|                                  |  | September 12, 2014 | Resignation |
| Deepti Kamble                    | Project Head                             | January 14, 2013   | Appointment |
|                                  |  | December 17, 2014  | Resignation |
| Salil Khadikar                   | Engagement Head (Auto & B2B)             | January 7, 2013    | Appointment |
|                                  |  | October 1, 2014    | Resignation |
| Jyoti Katke                      | Senior Head (Client Servicing)           | June 16, 2014      | Appointment |
| Rajendra Kumar                   | Chief Financial Officer                  | August 11, 2014    | Appointment |
| Sonali Gamne                     | Company Secretary and Compliance Officer | February 20, 2015  | Appointment |
| Meghna Mathur                    | Project Head                             | May 27, 2013       | Appointment |
| Prashant Deshmukh                | Project Head                             | February 2, 2015   | Appointment |
|                                  |  | April, 21, 2016    | Resignation |
| Anita Phatak                     | Admin & HR                               | July 1, 2015       | Appointment |
| Chandramouli Guin                | Head – Government Sector Practices       | September 11, 2015 | Appointment |
| Manish Ganvir                    | Vice President –Insight Sciences         | August 22, 2015    | Appointment |
| Archana Pai                      | Vice President Custom Research (South)   | August 3, 2015     | Appointment |

Other than the above changes, there have been no changes to the key managerial personnel of our Company.

#### **LOANS TO KEY MANAGERIAL PERSONNEL**

The Company has not given any loans and advances to the Key Managerial Personnel except as disclosed in this Red Herring Prospectus.

#### **INTEREST OF KEY MANAGERIAL PERSONNEL**

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, if any. Except as disclosed under heading titled “Shareholding of the Key Managerial Personnel” in “Our management” beginning on page 158 of this Red Herring Prospectus none of our Key Managerial Personnel hold any equity shares in our Company. Further, the Managing Director and Whole -Time Director of our Company is also interested to the extent of being Promoter of our Company. For more



information, see “Our Promoters and Promoter Group” on page 174 of this Red Herring Prospectus. Except as stated in chapter titled ‘Related Party Transactions’ beginning on page 182 of this Red Herring Prospectus and as described herein above, our KMPs do not have any other interest in our business. Except as disclosed in this Red Herring Prospectus, none of our Key Managerial Personnel have been paid any consideration of any nature from our Company, other than their remuneration.

#### **ESOP/ESPS SCHEME TO EMPLOYEES**

Our company has passed special resolution through postal ballot dated February 08, 2016 and approved to create , grant, offer, issue, allot 2,06,100 options over a period of five (5) years from the date of passing the resolution in one or more tranches, not more than 2,06,100 equity shares to be granted to eligible employees under our Employee Stock Option Plan, 2015 (“ESOSP Scheme 2015”).The stock options have not been exercised by eligible employees. The ESOP Scheme to reward our Directors (other than our Promoter, members of our Promoter Group and independent Directors) and permanent employees.

#### **PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)**

Except as disclosed in the heading titled “*Related Party Transactions*” in the chapter titled “*Financial Statements as Re-stated*” beginning on page 184 of this red herring prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.





## OUR PROMOTERS AND PROMOTER GROUP

### OUR PROMOTERS

The promoters of our Company are Rajendra Kumar Sharma , Sarang Jayant Panchal and Majestic Market Research Support Services Limited (MMRSSL). As on the date of the Red Herring Prospectus, our Promoters hold, in aggregate 30,01,996 Equity Shares representing 72.83 % of the pre-issue Paid up Capital of our Company.

**Brief profile of our individual promoters is as follows:**

|   |   |
|---|---|
|   | <p><b>Rajendra Kumar Sharma, Promoter, Chairman, Whole-time Director &amp; Chief Financial Officer</b></p> <p>Rajendra Kumar Sharma, aged 43 years is the Whole-time Director and Chief Financial Officer of our Company since June 13, 2014. He holds a Bachelor's degree in Engineering (Electronics and Telecommunication) from University of Mumbai and Master's degree in Management studies from University of Bombay. Prior to joining our Company, he was working with Majestic Market Research Support Services Limited. He has more than 15 years of experience in finance, banking and investments. He is responsible for arranging funds for expansion, monitoring the corporate finance and accounts, ensuring timely completion of internal and statutory audits matters of our Company.</p> <p><b>Nationality:</b> Indian</p> <p><b>Passport No:</b> HO454929</p> <p><b>Driving License:</b> Not Available</p> <p><b>Voters ID:</b> Not Available</p> <p><b>Address:</b> Plot No. 139/B, Sindhi Society, Opp. Bhakti Bhavan, Chembur, Mumbai, 400071, Maharashtra, India.</p> <p><b>Other Ventures promoted by him:</b></p> <p>Nil</p> |
|  | <p><b>Sarang Jayant Panchal, Promoter &amp; Managing Director</b></p> <p>Sarang Jayant Panchal, aged 55 years is the Managing Director of our Company since June 13, 2014. He holds a Bachelor's degree in commerce from University of Bombay and Master's degree in Management studies from University of Bombay. Prior to joining our Company, he was associated with Procter &amp; Gamble, Dun &amp; Bradstreet, Nilsen Company. He has more than 25years of experience in the field of alternative construction, strategy, consulting and ecommerce. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our</p>  |



|  |   |
|--|---|
|  | <p>Company.</p> <p><b>Nationality:</b> Indian<br/><b>Passport No:</b> Z1778318<br/><b>Driving License:</b> MH01 20130007836<br/><b>Voters ID:</b> Not Available</p> <p><b>Address:</b> 902, 9<sup>th</sup> floor, planet Godrej, tower-4, Starata CHS, K.K.Marg, Mahalaxmi, Mumbai-400011</p> <p><b>Other Ventures promoted by him:</b><br/>Partner in M/s.Smart Spaces</p> <p>For further details relating to Rajendra Kumar Sharma and Sarang Jayant Panchal, including terms of appointment and other directorships held by them, please refer to the chapter titled “<i>Our Management</i>” beginning on page 158 of this Red Herring Prospectus.</p> |
|--|---|

## DECLARATION

Our Company confirms that the permanent account number, bank account number, passport number wherever available of our individual promoters have been submitted to the Stock Exchange at the time of filing of Red Herring Prospectus with it.

## OUR CORPORATE PROMOTER

Majestic Market Research Support Services Limited (“MMRSSL”)

MMRSSL was incorporated as public limited company under the name and style of “Majestic Market Research Support Services Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated on November 5, 2003 bearing registration No. 143000 and was granted Certificate of Commencement of Business on November 12, 2003. The registered office of MMRSSL is situated at No 160A, Prem Chaya Building, LBS Marg, Kurla (West), Mumbai- 400070.

The Corporate Identification Number of the company is U74130MH2003PLC143000

### The Main Objects of MMRSSL are:

- To carry on in India or abroad the business to operate, promote, process, prepare, edit, exhibit, make, display, print, convert, buy, sell, run, export, import of all kinds of information, marketing, research, maintain the services relating to Business Process Outsourcing (BPO), the operation of the Back-up office, Call centres, Content Development or Animation, Data Processing, Engineering & design services, Geographic Information Centre services, Human resource services, Insurance Claim Processing Centre, Medical Transcription Services Centre, Payroll Centre, Remote Maintenance Centre, Revenue Accounting Services Centre, Support Centres and website services, analyst for the data/information.*
- To carry on in India or abroad the business to operate, promote, process, prepare, edit, exhibit, make, display, print, convert, buy, sell, run, export, import all kinds of IT related services, convert the data into information, Web hosting, Internet Services Provider (ISP), Multimedia, Computer Animation, all sort of Information technology, space communications, satellite communication, radio communications, telecommunications, telephonic & telegraphic communications, wave communications, under water communications, computer communications, network communications, commercial advertising, entertainment and other software, CD and audio cassettes , advertising films, TV serials, medical transcription, E- commerce, B2B in all*



languages, prevailing in the world and for this purpose to act as distributors, internet site owner, proprietor, copyright owners, video right owners, audio right owners.”

### Promoter of Corporate Promoter

Sandip Bhatia is the promoter of MMRSSL. There has been a change in control of the our Corporate Promoter due to the transfer of 749,994 Equity Shares aggregating 99.99% of the paid up share capital of MMRSSL from Epicentre Research Technologies Bengaluru Private Limited to Sandip Bhatia on June 20, 2013. Epicentre Research Technologies Bengaluru Private Limited *vide* gift deed dated June 20, 2013 gifted 749,994 equity shares of MMRSSL to Sandip Bhatia. As MMRSSL is a public unlisted limited company the provisions of SEBI (Substantial Acquisition of shares and Takeover) Regulations, 2011 and Listing Agreement are not applicable.

### DECLARATION

Our Company confirms that the permanent account number, bank account number, company registration number and address of RoC where the company is registered have been submitted to the Stock Exchange at the time of filing of the Red Herring Prospectus with it.

### Latest shareholding pattern of MMRSSL as on date of Red Herring Prospectus

| Sr.No | Name of Shareholders | No of Shares Held | % of Shares Held |
|-------|----------------------|-------------------|------------------|
| 1     | Sandip Bhatia        | 7,49,994          | 99.99%           |
| 2     | S.Devi Bala          | 1                 | Negligible       |
| 3     | George Paulose       | 1                 | Negligible       |
| 4     | R. Nandkumar         | 1                 | Negligible       |
| 5     | Praveen Prabhakar    | 1                 | Negligible       |
| 6     | Reena Sebastian      | 1                 | Negligible       |
| 7     | Shruti Vaid          | 1                 | Negligible       |
|       | <b>Total</b>         | <b>7,50,000</b>   | <b>100 %</b>     |

### Financial Information

Amount (Rs.in lakhs)

| Particulars                             | 2015    | 2014    | 2013    |
|---|---------|---------|---------|
| Equity Capital                          | 75.00   | 75.00   | 75.00   |
| Reserve (Excluding Revaluation Reserve) | 243.85  | 219.63  | 191.44  |
| Sales                                   | 1462.28 | 1339.76 | 1329.42 |
| Profit after Tax                        | 44.12   | 35.22   | 36.04   |
| Earning Per Share (Basic)               | 5.88    | 4.70    | 4.81    |
| Earning Per Share (Diluted)             | 5.88    | 4.70    | 4.81    |
| Net Asset Value Per share (Rs.)         | 42.51   | 39.28   | 35.53   |

Source: Audited Financial Statements

### INTEREST OF PROMOTERS

The following is the interest of our Promoters in our Company:

#### Interest in the promotion of our Company

Our Promoters are interested in our Company to the extent of its shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by them. For details



regarding the shareholding of our Promoters in our Company, please refer “*Capital Structure*” on page 69 of this Red Herring Prospectus.

#### **Interest of Promoter in property of our Company**

Our Promoters do not have any interest in any property acquired by our Company within period of two years from the date of this red herring prospectus, or proposed to be acquired by us as on date of filing the red herring prospectus.

#### **Interest as Member of our Company**

As on date of this red herring prospectus, our Promoters together hold 30,01,996 Equity Shares in our Company i.e. 72.83 % of the issued, subscribed and paid-up Equity Share Capital of our Company. Therefore, our promoters are interested to the extent of their respective shareholding and the dividend declared, if any, by our Company

#### **Interest as a creditor of our Company**

Except as given in the chapters titled “*Financial Statement as Restated*” and “*Related Party Transactions*” beginning on pages 184 and 182 of this Red Herring Prospectus, our Promoters do not have any interest as Creditor of our company.

#### **Interest as Director of our Company**

Except as given in the chapters titled “*Our Management*”, “*Financial Statements*” and “*Capital Structure*” beginning on pages 158, 184 and 69 respectively of this red herring prospectus our Promoters / Director, may deemed to be interested 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 agreements entered into with our Company, if any and AoA of our Company.

#### **Interest as Key Managerial Personnel of our Company.**

Rajendra Kumar Sharma is the Whole-time Director of the Company and hence, he is Key Managerial Personnel of the Company and may be deemed to be interested to the extent of remuneration, reimbursement of expenses payable to him for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreement entered into with our Company, if any and AoA of our Company. For further details, please refer to chapters titled “*Our Management*” and “*Related Party Transaction*” on page no 158 and 182 respectively of this Red Herring Prospectus.

#### **Interest in transactions involving acquisition of land**

Except as stated/referred to in the heading titled “*Land and Property*” under the chapter titled ‘*Our Business*’ beginning on page 129 of this Red Herring Prospectus, our Promoters have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Promoters are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

#### **Other Indirect Interest**

Except as stated in “*Financial Statements*” beginning on page 184 of this Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Promoters.

### **COMMON PURSUITS OF OUR PROMOTERS**

Our promoter MMRSSL deals in the similar business activities as that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company, and our subsidiary in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour itself or other company in which our Promoters have interests. Except as disclosed in this Red Herring Prospectus, our Parent Co. do not have any interest in any venture that is involved in any



activities similar to those conducted by our Company. For details, see “*Risk factors*” beginning on page 19 of this Red Herring Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

### RELATED PARTY TRANSACTIONS

For details of related party transactions entered into by our Promoters, Promoter Group and Company during the last Financial Year, the nature of transactions and the cumulative value of transactions, see “*Related Party Transactions*” on page 182 of this Red Herring Prospectus.

### PAYMENT OR BENEFITS TO PROMOTER

Except as stated otherwise in the chapters “*Related Party Transactions*” on page 182 of the Red Herring Prospectus, there has been no payment or benefits to the Promoters during the two years prior to the filing of this Red Herring Prospectus.

### OUR PROMOTER GROUP

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

#### A. Individuals related to our individual Promoters:

| Relationship with Promoter | Rajendra Kumar Sharma | Sarang Jayant Panchal            |
|----------------------------|-----------------------|----------------------------------|
| Father                     | Vidhyasagar L. Sharma | Jayant Panchal                   |
| Mother                     | Geeta V. Sharma       | Usha Panchal                     |
| Spouse                     | Sarika Sharma         | -                                |
| Brother                    | Pavan Kumar Sharma    | Salil Panchal                    |
| Sister                     | Varsha Sharma         | -                                |
| Son                        | -                     | Nilay Panchal                    |
| Daughter                   | Sara Sharma           | Aria Panchal                     |
| Spouse’s Father            | S. R. Chowdhery       | Dwarkadas Asudani                |
| Spouse’s Mother            | Indrani Chowdhery     | Indu Asudani                     |
| Spouse’s Brother           | Samrat Chowdhery      | Hiren Asudani and Gautam Asudani |

#### B. In the case of our Individual Promoter:

##### Rajendra Kumar Sharma

| Nature of Relationship  | Entity |
|---|--------|
| Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the Promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member | Nil    |
| Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital  | Nil    |
| Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10%  | Nil    |



**Sarang Jayant Panchal**

| <b>Nature of Relationship</b>   | <b>Entity</b>     |
|---|-------------------|
| Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the Promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member | M/s. Smart Spaces |
| Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital  | Nil               |
| Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10%  | M/s. Smart Spaces |

**C. In case of our Corporate Promoter**

**Majestic Market Research Support Services Limited**

|  |              |
|--|--------------|
| a subsidiary or holding company of such body corporate;  | Except MRSSL |
| any body corporate in which the promoter holds ten per cent. or more of the equity share capital or which holds ten per cent. or more of the equity share capital of the promoter;   | Nil          |
| Any body corporate in which a group of individuals or companies or combinations thereof which hold twenty per cent. or more of the equity share capital in that body corporate also holds twenty per cent. or more of the equity share capital of the issuer; an | Nil          |

**RELATIONSHIP OF PROMOTER WITH OUR DIRECTORS**

Our Promoter is not related to any of our Company’s Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

**CHANGES IN THE MANAGEMENT AND CONTROL OF OUR COMPANY**

Sandip Bhatia and Naina Krishna Murthy were Initial subscribers to Memorandum of Association. Subsequently the shares of Sandip Bhatia were transferred to Rajendra Kumar Sharma, and the shares of Naina Krishna Murthy were transferred to Rajendra Kumar Sharma, Harish Singh, Mani Singh Kalsi, Sarang Jayant Panchal and Sagar Bait on July 9, 2014. Shares of Sandip Bhatia were transferred to Rajendra Kumar Sharma on July 9, 2014. On June 20, 2013 Majestic Market Research Support Services Limited acquired its first stake in our Company. For details, see “Capital Structure” beginning on page 69 of this Red Herring Prospectus.

**LITIGATION**

For details on litigations and pending disputes against the Promoters and defaults made by them, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 2567 of this Red Herring Prospectus.

**DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR**

Our Promoters have not disassociated themselves from any entities/firms during preceding three years.

**CONFIRMATION**

The Promoters, Promoter Group entities or Group Company have not been debarred from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Neither of our Promoters was or also 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.

Neither our Promoters, 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 (in India or overseas) committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them. Neither our Promoter nor our Group companies have become sick companies under the SICA. Further, no winding up proceedings have been initiated against the Promoters or the Group Companies, except as disclosed in the section “*Our Group Companies*” on page 181 of this Red Herring Prospectus.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

For other confirmations of the Our Promoters and Group Company, please see the chapter titled “*Other Regulatory and Statutory Disclosures*” beginning on page 265 of this Red Herring Prospectus. Additionally, neither the Promoters, Promoter Group Entities nor our Group Company have become defunct in the five years preceding the filing of the Red Herring Prospectus.





## OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of ‘Group Companies’, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India (as mentioned in our Restated Consolidated and Standalone financial statements for the period ended March 31, 2016) and such other companies as considered material by our Board. Pursuant to a resolution dated May 11, 2016, our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature. Also for the purpose of disclosure in offer documents, a company shall be considered material and disclosed as a Group Company’ if (i) such company forms part of the Promoter Group of our Company in terms of Regulation 2(1)(z)(b) of the SEBI Regulations; and (ii) companies in which, the investment in the form of equity or loan by our Company exceeds 20% of the consolidated net worth of our Company for the last audited financial year; and (ii) where our Company has entered into one or more transactions with such company in the last audited financial year, cumulatively exceeding 10% of the total consolidated revenue of our Company for the last audited financial year. Based on the above, there are no Group Companies of our Company, but our company has wholly owned subsidiary and joint venture, details of which are included in the section titled “*Our history and certain other corporate matters*” beginning on page 150 of this Red Herring Prospectus.

For avoidance of doubt, it is clarified that the Promoter of our Company shall not be considered as ‘Group Company’.



### **RELATED PARTY TRANSACTION**

For details on Related Party Transactions of our Company, please refer to Annexure XXIII of restated financial statement under the section titled, “*Financial Statements as restated*” beginning on page 184 of this Red Herring Prospectus.



## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend since incorporation.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.



## SECTION V – FINANCIAL STATEMENTS

### Independent Auditor’s Report for the Standalone Restated Financial Statements of Majestic Research Services and Solutions Limited

To

**The Board of Directors,  
Majestic Research Services and Solutions Limited,  
Number 46/17, Church Street  
Bengaluru – 560 001**

Dear Sirs,

1. We have examined the attached standalone restated statement of assets and liabilities of Majestic Research Services and Solutions Limited, (“**the Company**”) as at June 30, 2016, March 31, 2016, 2015, 2014 and 2013 and the related standalone restated statement of profit and loss and standalone restated statement of cash flows for the financial year ended on March 31, 2016, 2015, 2014, 2013 and for the period ended June 30, 2016 (collectively the “**standalone restated summary statements**” or “**standalone restated financial statements**”). These standalone restated summary statements have been prepared by the management of the Company and approved by the Board of Directors of the company in connection with the Further Public Offering (FPO) in SME Platform of BSE Limited (“**BSE**”).
2. These standalone restated summary statements have been prepared in accordance with the requirements of:
  - (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (“**the Act**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (“**ICDR Regulations**”) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“**SEBI**”)
3. We have examined such restated financial statements taking into consideration:
  - (i) The terms of reference to our engagement letter dated June 14, 2016 requesting us to carry out the assignment, in connection with the Red Herring Prospectus/Red Herring Prospectus / Prospectus being issued by the Company for its proposed Further Public Offering of equity shares in SME Platform of BSE Limited (“**FPO**”) (“**SME FPO**”); and
  - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”).
4. The standalone restated summary statements of the Company have been extracted by the management from the audited financial statements of the Company for the financial year ended on March 31, 2016, 2015, 2014, 2013 and for the period ended June 30, 2016 which have been approved by the Board of Directors.
5. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - (i) The “**standalone restated statement of asset and liabilities**” of the Company as at March 31, 2016, 2015, 2014, 2013 and for the period ended June 30, 2016 examined by us, as set out in **Annexure I** to this report, read with significant accounting policies and notes to restated summary statements as set out in **Annexure IV** to this report have been arrived at



- after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
- (ii) The “**standalone restated statement of profit and loss**” of the Company for the financial year ended March 31, 2016, 2015, 2014, 2013 and for the period ended June 30, 2016 examined by us, as set out in **Annexure II** to this report, read with significant accounting policies and notes to restated summary statements as set out in **Annexure IV** to this report have been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (iii) The “**standalone restated statement of cash flows**” of the Company for the financial year ended March 31, 2016, 2015, 2014, 2013 and for the period ended June 30, 2016 examined by us, as set out in **Annexure III** to this report, read with significant accounting policies and notes to restated summary statements as set out in **Annexure IV** to this report have been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
6. Based on our examination, we are of the opinion that the standalone restated financial statements have been prepared:
- a) Using consistent accounting policies for all the reporting periods.
  - b) Making adjustments for prior period and other material amounts in the respective financial years to which they relate.
  - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
  - d) There are no audit qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended on March 31, 2016, 2015, 2014, 2013 and for the period ended June 30, 2016 which would require adjustments in this standalone restated financial statements of the Company.
7. Audit for the financial year ended March 31, 2016, 2015, 2014 and for the period ended June 30, 2016 was conducted by us, and audit for the financial year ended March 31, 2013 was conducted by M/s.Hemanshu J Kamdar & Associates, Chartered Accountants and accordingly reliance has been placed on the financial information examined by M/s Hemanshu J Kamdar & Associates, Chartered Accountants for the financial year ended March 31, 2013. The financial report included for March 31, 2013 is based solely on the report submitted by M/s. Hemanshu J Kamdar & Associates, Chartered Accountants.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year ended on March 31, 2016, 2015, 2014 and 2013 proposed to be included in the Red Herring Prospectus / Red Herring Prospectus / Prospectus (“**Offer Document**”).

**Annexure to standalone restated financial statements of the Company:-**

- 1. Summary standalone statement of assets and liabilities, as restated as appearing in ANNEXURE I;
- 2. Summary standalone statement of profit and loss, as restated as appearing in ANNEXURE II;
- 3. Summary standalone statement of cash flows, as restated as appearing in ANNEXURE III;



4. Significant accounting policies and notes to restated summary statements as appearing in ANNEXURE IV;
  5. Details of share capital, as restated as appearing in ANNEXURE V to this report;
  6. Details of reserves and surplus, as restated as appearing in ANNEXURE VI to this report;
  7. Details of long term borrowings, as restated as appearing in ANNEXURE VII to this report;
  8. Details of deferred tax asset/liability, as restated as per ANNEXURE VIII to this report;
  9. Details of long term provisions, as restated as per ANNEXURE IX to this report
  10. Details of short term borrowings, as restated as appearing in ANNEXURE X to this report;
  11. Details of trade payables, as restated as appearing in ANNEXURE XI to this report;
  12. Details of other current liabilities, as restated as appearing in ANNEXURE XII to this report;
  13. Details of short term provisions, as restated as appearing in ANNEXURE XIII to this report;
  14. Details of fixed assets, as restated as appearing in ANNEXURE XIV to this report;
  15. Details of non current investments, as restated as appearing in ANNEXURE XV to this report;
  16. Details of long term loans and advances, as restated as appearing in ANNEXURE XVI to this report;
  17. Details of trade receivables, as restated as appearing in ANNEXURE XVII to this report;
  18. Details of cash and cash equivalents, as restated as appearing in ANNEXURE XVIII to this report;
  19. Details of short term loans and advances, as restated as appearing in ANNEXURE XIX to this report;
  20. Details of other current assets, as restated as appearing in ANNEXURE XX to this report;
  21. Details of revenue from operations, as restated as appearing in ANNEXURE XXI to this report;
  22. Details of other income, as restated as appearing in ANNEXURE XXII to this report;
  23. Details of related party transactions, as restated as appearing in ANNEXURE XXIII to this report;
  24. Summary of significant accounting ratios, as restated as appearing in ANNEXURE XXIV to this report,
  25. Capitalisation Statement as at March 31, 2016 as restated as appearing in ANNEXURE XXV to this report;
  26. Statement of Tax Shelters, as restated as appearing in ANNEXURE XXVI to this report;
9. We, R T Jain & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
  10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.



11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, the above financial information contained in Annexure I to XXVI of this report read with the respective significant accounting policies and notes to standalone restated summary statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME FPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For R T Jain & Co.**  
**Chartered Accountants**  
**Firm Registration no.103961W**

**(CA Bankim Jain)**  
**Partner**  
**Membership No.139447**  
**Mumbai, November 09, 2016**





**ANNEXURE I: STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

**Rs In Lakhs**

| Particulars                                  | As at<br>June 30,<br>2016 | As at March 31, |               |               |              |
|--|---------------------------|-----------------|---------------|---------------|--------------|
|  |                           | 2016            | 2015          | 2014          | 2013         |
| <b>EQUITY AND LIABILITIES</b>                |                           |                 |               |               |              |
| <b><u>Shareholders' Funds</u></b>            |                           |                 |               |               |              |
| a. Share Capital                             | 412.20                    | 412.20          | 300.20        | 300.20        | 74.50        |
| b. Reserves & Surplus                        | 332.99                    | 249.75          | 65.27         | 13.47         | 0.69         |
| Share Application Money<br>Pending Allotment | -                         | -               | -             | -             | -            |
| <b><u>Non Current Liabilities</u></b>        |                           |                 |               |               |              |
| a. Long Term Borrowings                      | -                         | -               | -             | -             | -            |
| b. Deferred Tax Liabilities                  | -                         | -               | -             | 0.90          | 0.01         |
| c. Other Long Term Liabilities               | -                         | -               | -             | -             | -            |
| c. Long Term Provisions                      | 9.02                      | 8.00            | 3.39          | 1.46          | 1.03         |
| <b><u>Current Liabilities</u></b>            |                           |                 |               |               |              |
| a. Short Term Borrowings                     | 96.79                     | 70.75           | 122.49        | 4.92          | -            |
| b. Trade Payables                            | 31.67                     | 19.67           | 7.26          | 82.04         | -            |
| c. Other Current Liabilities                 | 160.09                    | 117.01          | 42.15         | 16.12         | 12.54        |
| d. Short Term Provisions                     | 80.72                     | 70.89           | 10.28         | 1.54          | 0.02         |
| <b>T O T A L</b>                             | <b>1123.48</b>            | <b>948.27</b>   | <b>551.04</b> | <b>420.65</b> | <b>88.79</b> |
| <b>ASSETS</b>                                |                           |                 |               |               |              |
| <b><u>Non Current Assets</u></b>             |                           |                 |               |               |              |
| a. Fixed Assets                              | -                         | -               | -             | -             | -            |
| i. Tangible Assets                           | 64.61                     | 64.26           | 37.65         | 8.35          | 0.43         |
| ii. Intangible Assets                        | 10.53                     | 10.53           | 10.05         | 10.06         | -            |
| Less: Accumulated Depreciation               | 55.66                     | 49.89           | 31.88         | 4.22          | 0.03         |
| <b><i>Net Block</i></b>                      | <b>19.48</b>              | <b>24.90</b>    | <b>15.82</b>  | <b>14.19</b>  | <b>0.40</b>  |
| a. Deferred Tax Assets (Net)                 | 6.68                      | 8.94            | 5.48          | 0.13          | 0.32         |
| b. Non-current Investments                   | 1.50                      | 1.50            | 1.20          | -             | -            |
| c. Long Term Loans & Advances                | 15.01                     | 16.56           | 11.60         | 11.06         | -            |
| d. Other Non Current Assets                  | -                         | -               | -             | -             | -            |
| <b><u>Current Assets</u></b>                 |                           |                 |               |               |              |
| a. Trade Receivables                         | 868.70                    | 617.78          | 466.34        | 205.38        | 12.52        |
| b. Cash and Cash Equivalent                  | 16.24                     | 64.23           | 4.09          | 0.12          | 0.09         |
| c. Short Term Loans & Advances               | 179.37                    | 199.42          | 25.53         | 180.46        | 75.45        |
| d. Other Current Assets                      | 16.50                     | 16.49           | 20.98         | 7.61          | -            |
| <b>T O T A L</b>                             | <b>1123.48</b>            | <b>948.27</b>   | <b>551.04</b> | <b>420.65</b> | <b>88.79</b> |



**ANNEXURE II: STATEMENT OF PROFIT AND LOSS AS RESTATED**

**Rs in Lakhs**

| Particulars   | For the period ended June 30, 2016 | As at March 31, |               |               |              |
|---|------------------------------------|-----------------|---------------|---------------|--------------|
|   |                                    | 2016            | 2015          | 2014          | 2013         |
| <b>INCOME</b>   |                                    |                 |               |               |              |
| Revenue from Operations   | 436.54                             | 1,112.96        | 550.77        | 226.03        | 47.93        |
| Other Income  | 3.96                               | 14.54           | -             | -             | -            |
| <b>Total Income (A)</b>   | <b>440.50</b>                      | <b>1,127.50</b> | <b>550.77</b> | <b>226.03</b> | <b>47.93</b> |
| <b>EXPENDITURE</b>  |                                    |                 |               |               |              |
| Direct Expenses   | 196.58                             | 451.59          | 102.51        | 81.75         | 19.43        |
| Employee benefit expenses   | 69.48                              | 255.23          | 254.64        | 98.51         | 12.29        |
| Finance costs   | 7.21                               | 14.21           | 9.42          | 0.14          | -            |
| Depreciation and amortisation expense                               | 5.76                               | 20.87           | 27.67         | 4.18          | 0.04         |
| Other Expenses  | 33.87                              | 108.82          | 80.90         | 22.25         | 15.18        |
| <b>Total Expenses (B)</b>   | <b>312.90</b>                      | <b>850.72</b>   | <b>475.14</b> | <b>206.83</b> | <b>46.94</b> |
| <b>Profit before extraordinary items and tax</b>                    | <b>127.60</b>                      | <b>276.78</b>   | <b>75.63</b>  | <b>19.20</b>  | <b>0.99</b>  |
| Prior period items (Net)  | -                                  | -               | -             | -             | -            |
| <b>Profit before exceptional, extraordinary items and tax (A-B)</b> | <b>127.60</b>                      | <b>276.78</b>   | <b>75.63</b>  | <b>19.20</b>  | <b>0.99</b>  |
| Exceptional items   | -                                  | -               | -             | -             | -            |
| <b>Profit before extraordinary items and tax</b>                    | <b>127.60</b>                      | <b>276.78</b>   | <b>75.63</b>  | <b>19.20</b>  | <b>0.99</b>  |
| Extraordinary items   | -                                  | -               | -             | -             | -            |
| <b>Profit before tax</b>  | <b>127.60</b>                      | <b>276.78</b>   | <b>75.63</b>  | <b>19.20</b>  | <b>0.99</b>  |
| <i>Tax expense :</i>  |                                    |                 |               |               |              |
| (i) Current tax   | 42.11                              | 95.76           | 30.06         | 5.33          | 0.62         |
| (ii) Deferred tax   | 2.26                               | (3.47)          | (6.24)        | 1.08          | (0.31)       |
| (iii) MAT Credit  | -                                  | -               | -             | -             | -            |
| <b>Total Tax Expense</b>  | <b>44.37</b>                       | <b>92.29</b>    | <b>23.82</b>  | <b>6.41</b>   | <b>0.31</b>  |
| <b>Profit for the year (D-E)</b>                                    | <b>83.23</b>                       | <b>184.49</b>   | <b>51.81</b>  | <b>12.79</b>  | <b>0.68</b>  |



**ANNEXURE-III: STATEMENT OF CASH FLOW AS RESTATED**

**Rs. In Lakhs**

| Particulars   | For the period ended June 30, 2016 | For the year ended March 31, |                |                 |                |
|---|------------------------------------|------------------------------|----------------|-----------------|----------------|
|   |                                    | 2016                         | 2015           | 2014            | 2013           |
| <b>Cash Flow From Operating Activities:</b>                       |                                    |                              |                |                 |                |
| Net Profit before tax as per Profit And Loss A/c                  | 127.59                             | 276.78                       | 75.62          | 19.19           | 1.00           |
| <b>Adjustments for:</b>   |                                    |                              |                |                 |                |
| Depreciation & Amortisation Expense                               | 5.76                               | 20.87                        | 27.67          | 4.18            | 0.04           |
| Provision for Gratuity  | 1.04                               | 4.71                         | 1.97           | 0.43            | 1.05           |
| Interest Expense  | 7.21                               | 14.09                        | 9.13           | 0.13            | -              |
| Interest Income   | (0.34)                             | (1.67)                       | -              | -               | -              |
| <b>Operating Profit Before Working Capital Changes</b>            | 141.26                             | 314.78                       | 114.39         | 23.93           | 2.09           |
| Adjusted for (Increase)/ Decrease in:                             |                                    |                              |                |                 |                |
| Trade Receivables   | (250.92)                           | (151.44)                     | (260.96)       | (192.86)        | (12.53)        |
| Loans and advances and other assets                               | (22.59)                            | (173.64)                     | 122.88         | (139.25)        | (76.08)        |
| Liabilities & Provisions  | 55.08                              | 87.26                        | (48.75)        | 85.63           | 12.54          |
| <b>Cash Generated From Operations Before Extra-Ordinary Items</b> | (77.17)                            | 76.96                        | (72.44)        | (222.55)        | (73.98)        |
| Add:- Extra-Ordinary Items  |                                    |                              |                |                 |                |
| <b>Cash Generated From Operations</b>                             | (77.17)                            | 76.96                        | (72.44)        | (222.55)        | (73.98)        |
| Net Income Tax paid/ refunded                                     | (10.22)                            | -                            | (1.51)         | -               | -              |
| <b>Net Cash Flow from/(used in) Operating Activities: (A)</b>     | <b>(87.39)</b>                     | <b>76.96</b>                 | <b>(73.95)</b> | <b>(222.55)</b> | <b>(73.98)</b> |
| <b>Cash Flow From Investing Activities:</b>                       |                                    |                              |                |                 |                |
| Purchase of Fixed Assets (including capital work in progress)     | (0.35)                             | (27.09)                      | (29.32)        | (7.91)          | (0.43)         |
| Purchase of Investments   | -                                  | (0.30)                       | (1.20)         | -               | -              |
| Interest Income   | 0.34                               | 1.67                         | -              | -               | -              |
| Loan to Subsidiary  | (0.84)                             | (1.51)                       | -              | -               | -              |
| Loan to Others  | 21.42                              | (21.42)                      | -              | -               | -              |
| <b>Net Cash Flow from/(used in) Investing Activities: (B)</b>     | <b>20.57</b>                       | <b>(48.65)</b>               | <b>(30.52)</b> | <b>(7.91)</b>   | <b>(0.43)</b>  |
| <b>Cash Flow from Financing Activities:</b>                       |                                    |                              |                |                 |                |
| Proceeds From issue of Share Capital                              | -                                  | 142.80                       | -              | 225.70          | 74.50          |
| Share Issue Expenses  | -                                  | (45.15)                      | -              | -               | -              |
| Net Increase/(Decrease) in Borrowings                             | 26.03                              | (51.73)                      | 117.57         | 4.92            | -              |
| Interest paid   | (7.21)                             | (14.09)                      | (9.13)         | (0.13)          | -              |



| Particulars   | For the period ended June 30, 2016 | For the year ended March 31, |               |               |              |
|---|------------------------------------|------------------------------|---------------|---------------|--------------|
|   |                                    | 2016                         | 2015          | 2014          | 2013         |
| <b>Net Cash Flow from/(used in) Financing Activities ( C)</b> | <b>18.82</b>                       | <b>31.83</b>                 | <b>108.44</b> | <b>230.49</b> | <b>74.50</b> |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)    | (48.00)                            | 60.14                        | 3.97          | 0.03          | 0.09         |
| Cash & Cash Equivalents As At Beginning of the Year           | 64.23                              | 4.09                         | 0.12          | 0.09          | -            |
| Cash & Cash Equivalents As At End of the Year                 | <b>16.24</b>                       | <b>64.23</b>                 | <b>4.09</b>   | <b>0.12</b>   | <b>0.09</b>  |



## **ANNEXURE IV(A): SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO STANDALONE RESTATED SUMMARY FINANCIALS**

### **Corporate Information**

Majestic Research Services & Solutions Limited (formerly known as Majestic Research Services & Solutions Private Limited), incorporated under the Companies Act, 1956 and the company is the first Indian Market Research Company listed on BSE SME Platform. The Company is engaged in providing market research services. The company offers a wide range of qualitative and quantitative research services.

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **A. Basis of preparation of Financial Statements:**

- i. These financial statements are prepared in accordance with Generally Accepted Accounting Principles in India (GAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable.
- ii. The financial statements are prepared under the historical cost convention and on the accounting principles of going concern. The Company follows the accrual system of accounting where income & expenditure are recognized on accrual basis.

#### **B. Use of Estimates:**

The preparation of financial statements requires management to make estimates and assumptions that affect amounts in the financial statements and reported notes thereto. Actual results could differ from these estimates. Differences between the actual result and estimates are recognized in periods in which the results are known/ materialised.

#### **C. Fixed Assets and Intangible Asset:**

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price (net of Cenvat / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account. Fixed Assets individually costing Rupees Five thousand or less are depreciated at 100% over a period of one Year. Intangible asset are stated at acquisition cost less accumulated amortisation.

#### **D. Depreciation and Amortisation:**

The Company has provided for depreciation on fixed assets using written down value (WDV) over the useful life of the assets as prescribed in Schedule II to the companies Act, 2013 except the following items where useful lives estimated by the management based on internal technical assessment differ from those provided in Schedule II to the Companies Act, 2013.

- i) Computer Software:- Six Years
- ii) Eye Tracking (Classified under Plant & Equipments):- Five Years

#### **E. Valuation of Inventories:**

There are no inventories as the company is into service sector.



## **F. Foreign Currency Transactions**

**Initial Recognition:** Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

**Conversion:** At the year end, monetary items denominated in foreign currencies other than those covered by forward contracts are converted into rupee equivalents at the year-end exchange rates.

**Exchange Differences:** All exchange differences arising on settlement/conversion of foreign currency transactions are recognized in the statement of profit and loss.

## **G. Revenue Recognition:**

Revenue is primarily derived from market research and related services. Revenue is recognized on completion of service to be rendered to the customer. Revenue from partly complete contracts is recognized on percentage of completion method except when there is uncertainty as to measurement or ultimate collectability then revenue recognition is postponed until such uncertainty is resolved.

## **H. Earnings Per Share**

Basic earning per share is computed by dividing the net profit after tax for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

## **I. Taxation & Deferred Tax**

Provision for Current Tax is made in accordance with the provision of Income Tax Act, 1961. Deferred tax is recognized on timing differences between taxable & accounting income / expenditure that originates in one period and are capable of reversal in one or more subsequent period(s).

## **J. Contingent Liabilities / Provisions**

Contingent liabilities are not provided in the accounts and are disclosed separately if applicable in notes to accounts.

## **K. Impairment Of Assets**

The company assesses at each balance sheet date whether there is any indication due to external factors that an asset or group of assets comprising a cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the CGU, to which the asset belongs is less than the carrying amount of the asset or the CGU as the case may be, the carrying amount is reduced to its recoverable amount and the reduction is treated as impairment loss and is recognized in the statement of profit and loss. If at any subsequent balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re assessed and the asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the statement of profit and loss.

## **L. Investments**

Long term investments are valued at cost with an appropriate provision for permanent diminution in value, if any. Investment that is readily realizable and is intended to be held for not more than one year is valued at lower of cost or realizable value.

## **M. Share Issue Expenditure**



Expenses incurred in connection with issue of equity shares have been written off against securities premium received on issue of shares to public. The balance amount of expenses has been classified under other current assets and it will be write off over a period of five years equally starting from financial year ending on 31<sup>st</sup> March, 2016.

**ANNEXURE – IV (B)**

**NOTES ON RECONCILIATION OF RESTATED PROFITS**

**(Rs. In lakhs)**

| <b>Adjustments for</b>  | <b>For the period ended June 30, 2016</b> | <b>2015-16</b> | <b>2014-15</b> | <b>2013-14</b> | <b>2012-13</b> |
|---|---|----------------|----------------|----------------|----------------|
| Net profit/(loss) after tax as per audited statement of profit and loss account | 74.86                                     | 190.02         | 53.30          | 13.40          | 1.41           |
| <b><u>Adjustments for:</u></b>  |   |                |                |                |                |
| Provision for Gratuity  | 8.15                                      | (4.70)         | (1.96)         | (0.42)         | (1.06)         |
| Provision for Tax   | 1.77                                      | (1.78)         | -              | -              | 0.01           |
| Provision for deferred tax asset / liability                                    | (1.55)                                    | 0.95           | 0.47           | (0.19)         | 0.32           |
| <b>Net profit/ (loss) after tax as restated</b>                                 | <b>83.23</b>                              | <b>184.49</b>  | <b>51.81</b>   | <b>12.79</b>   | <b>0.68</b>    |

**Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years.**

**Adjustments having impact on Profit**

**1. Provision for Gratuity** - Company had provided provision for gratuity in the financials for the period ended on June 30, 2016 for the period relating to financial year ended March 31, 2013 to March 31, 2016. However for the purpose of restatement of financial statements the said provisions including tax/deferred tax impact thereof, wherever required have been appropriately adjusted in the respective years to which it relates. The Provision amount has been taken as per Certified Actuarial Report.

**2. Provision for Tax**– In the year 2012-13, Company had made Excess provision for tax by Rs. 440 whereas in the year 2015-16, Company had provided for tax provision @ 32.445% (Considering Surcharge @ 5%) instead of 33.063% (Incl. Surcharge @ 7%) and the company had provided effect of same in the financial year 2016-17 (i.e. April to June 2016). However For the purpose of restatement of financial statements the said adjustments have been appropriately adjusted in the respective years to which it relates.

**Adjustments having no impact on Profit**

***Material Regrouping***

W.e.f, April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Company for preparation and presentation of its financial statements. Revised Schedule VI notified under the Companies Act, 1956 became applicable to the Company from April 1, 2011, for preparation and





presentation of its financial statements. The adoption of Schedule III / Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements.

There is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI. Appropriate adjustments have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).



**ANNEXURE V: DETAILS OF SHARE CAPITAL AS RESTATED**

**Rs in Lakhs**

| Particulars                                    | As at June 30, 2016 | As at March 31, |               |               |              |
|--|---------------------|-----------------|---------------|---------------|--------------|
|  |                     | 2016            | 2015          | 2014          | 2013         |
| <b>EQUITY SHARE CAPITAL :</b>                  |                     |                 |               |               |              |
| <b>AUTHORISED:</b>                             |                     |                 |               |               |              |
| Equity Shares of Rs. 10 each with Voting Right | 1,500.00            | 1,500.00        | 450.00        | 450.00        | 100.00       |
|  | 1,500.00            | 1,500.00        | 450.00        | 450.00        | 100.00       |
| <b>ISSUED, SUBSCRIBED AND PAID UP</b>          |                     |                 |               |               |              |
| Equity Shares of Rs. 10 each                   | 412.20              | 412.20          | 300.20        | 300.20        | 74.50        |
| <b>TOTAL</b>                                   | <b>412.20</b>       | <b>412.20</b>   | <b>300.20</b> | <b>300.20</b> | <b>74.50</b> |

| Reconciliation of number of shares outstanding at the end of the year: | As at June 30, 2016 | As at March 31,  |                  |                  |                 |
|--|---------------------|------------------|------------------|------------------|-----------------|
|  |                     | 2016             | 2016             | 2016             | 2016            |
| Equity Shares at the beginning of the year                             | 41,22,000           | 30,02,000        | 3,002,000        | 7,45,000         | -               |
| Add: Shares issued during the year                                     | -                   | 11,20,000        | -                | 22,57,000        | 7,45,000        |
| <b>TOTAL</b>   | <b>41,22,000</b>    | <b>41,22,000</b> | <b>30,02,000</b> | <b>30,02,000</b> | <b>7,45,000</b> |

**Details of Shareholders holding more than 5% of the aggregate shares of the company:**

| Name of Shareholders   | As at June 30, 2016 |              | As at March 31, 2016 |              | As at March 31, 2015 |              | As at March 31, 2014 |              | As at March 31, 2013 |              |
|--|---------------------|--------------|----------------------|--------------|----------------------|--------------|----------------------|--------------|----------------------|--------------|
|  | No. of Shares Held  | % of Holding | No. of Shares Held   | % of Holding | No. of Shares Held   | % of Holding | No. of Shares Held   | % of Holding | No. of Shares Held   | % of Holding |
| <b>Sandip Bhatia</b>   |                     |              | 0.00%                | 0.00%        | -                    | 0.00%        | 913,500              | 30.43%       | 74,400               | 99.87%       |
| <b>Majestic Market Research Support &amp; Services Limited</b> | 2,08,500            | 50.64%       | 2,08,500             | 50.64%       | 2,08,750             | 69.54%       | 2,08,750             | 69.54%       | -                    | 0.00%        |
| <b>Rajendra Sharma</b>   | 914,495             | 22.19%       | 914,495              | 22.19%       | 914,495              | 30.46%       | -                    | 0.00%        | -                    | 0.00%        |



**ANNEXURE VI: DETAILS OF RESERVES AND SURPLUS AS RESTATED**

Rs in Lakhs

| Particulars  | As at June 30, 2016 | As at March 31, |              |              |             |
|--|---------------------|-----------------|--------------|--------------|-------------|
|  |                     | 2016            | 2015         | 2014         | 2013        |
| <b>PROFIT &amp; LOSS ACCOUNT</b>                         |                     |                 |              |              |             |
| Opening Balance  | 249.76              | 65.27           | 13.46        | 0.69         | -           |
| Add: Net Profit / (Loss) after Tax for the year / period | 83.23               | 184.48          | 51.81        | 12.78        | 0.69        |
| <b>Closing Balance</b>                                   | <b>332.99</b>       | <b>249.75</b>   | <b>65.27</b> | <b>13.47</b> | <b>0.69</b> |
| <b>Securities Premium</b>                                |                     |                 |              |              |             |
| Opening Balance  | -                   | -               | -            | -            | -           |
| Add: Shares issued during the year                       | -                   | 30.80           | -            | -            | -           |
| Less: Share Issue Expenses written off                   | -                   | (30.80)         | -            | -            | -           |
| <b>Closing Balance</b>                                   | <b>-</b>            | <b>-</b>        | <b>-</b>     | <b>-</b>     | <b>-</b>    |
| <b>TOTAL</b>   | <b>332.99</b>       | <b>249.75</b>   | <b>65.27</b> | <b>13.47</b> | <b>0.69</b> |

**ANNEXURE VII: DETAILS OF LONG TERM BORROWINGS AS RESTATED**

Rs in Lakhs

| Particulars  | As at June 30, 2016 | As at March 31, |          |          |          |
|--------------|---------------------|-----------------|----------|----------|----------|
|              |                     | 2016            | 2015     | 2014     | 2013     |
| Loan         | -                   | -               | -        | -        | -        |
| <b>TOTAL</b> | <b>-</b>            | <b>-</b>        | <b>-</b> | <b>-</b> | <b>-</b> |

**ANNEXURE VIII: DETAILS OF DEFERRED TAX ASSET/(LIABILITY)AS RESTATED**

Rs in Lakhs

| Particulars   | As at June 30, 2016 | As at March 31, |             |               |             |
|---|---------------------|-----------------|-------------|---------------|-------------|
|   |                     | 2016            | 2015        | 2014          | 2013        |
| <b>Deferred Tax Liability</b>                                 |                     |                 |             |               |             |
| Related to WDV of Fixed Assets                                | -                   | -               | -           | 0.90          | 0.01        |
| <b>Deferred Tax Asset</b>                                     |                     |                 |             |               |             |
| Related to WDV of Fixed Assets                                | 6.36                | 7.38            | 4.87        | -             | -           |
| Related to Expenses disallowed in Income Tax                  | 0.38                | 1.56            | 0.61        | 0.13          | 0.32        |
| <b>Deferred Tax Asset/(Liability) (net) after adjustments</b> | <b>6.68</b>         | <b>8.94</b>     | <b>5.48</b> | <b>(0.77)</b> | <b>0.31</b> |



**ANNEXURE IX: DETAILS OF LONG TERM PROVISIONS AS RESTATED**

**Rs in Lakhs**

| Particulars            | As at June 30, 2016 | As at March 31, |             |             |             |
|------------------------|---------------------|-----------------|-------------|-------------|-------------|
|                        |                     | 2016            | 2015        | 2014        | 2013        |
| Provision for Gratuity | 9.02                | 8.00            | 3.39        | 1.46        | 1.03        |
| <b>TOTAL</b>           | <b>9.02</b>         | <b>8.00</b>     | <b>3.39</b> | <b>1.46</b> | <b>1.03</b> |

**ANNEXURE X: DETAILS OF SHORT TERM BORROWING AS RESTATED**

**Rs In Lakhs**

| Particulars           | As at June 30, 2016 | As at March 31, |               |             |          |
|-----------------------|---------------------|-----------------|---------------|-------------|----------|
|                       |                     | 2016            | 2015          | 2014        | 2013     |
| <i>Secured</i>        |                     |                 |               |             |          |
| -From Banks           | 96.79               | 69.75           | 98.43         | -           | -        |
| <i>Unsecured</i>      |                     |                 |               |             |          |
| -From Related Parties | -                   | -               | 1.84          | 4.92        | -        |
| -From Others          | -                   | 1.00            | 22.22         | -           | -        |
| <b>TOTAL</b>          | <b>96.79</b>        | <b>70.75</b>    | <b>122.49</b> | <b>4.92</b> | <b>-</b> |

**ANNEXURE XI: DETAILS OF TRADE PAYABLES AS RESTATED**

**Rs in Lakhs**

| Particulars                                | As at June 30, 2016 | As at March 31, |             |              |          |
|--|---------------------|-----------------|-------------|--------------|----------|
|  |                     | 2016            | 2015        | 2014         | 2013     |
| Due to Micro, Small and Medium Enterprises | -                   | -               | -           | -            | -        |
| Others                                     | 31.67               | 19.67           | 7.26        | 82.04        | -        |
| <b>TOTAL</b>                               | <b>31.74</b>        | <b>19.67</b>    | <b>7.26</b> | <b>82.04</b> | <b>-</b> |

**ANNEXURE XII: DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**

**Rs in Lakhs**

| Particulars                 | As at June 30, 2016 | As at March 31, |              |              |              |
|-----------------------------|---------------------|-----------------|--------------|--------------|--------------|
|                             |                     | 2016            | 2015         | 2014         | 2013         |
| Statutory Dues Payable      | 108.00              | 74.69           | 28.90        | 3.05         | 3.94         |
| Creditors for Capital Goods | 21.16               | 20.90           | -            | 2.47         | -            |
| Creditors for Expenses      | 30.93               | 21.42           | 13.25        | 10.60        | 8.60         |
| <b>TOTAL</b>                | <b>160.09</b>       | <b>117.01</b>   | <b>42.15</b> | <b>16.12</b> | <b>12.54</b> |



**ANNEXURE XIII- DETAILS OF SHORT TERM PROVISIONS AS RESTATED**

**Rs in Lakhs**

| <b>Particulars</b>               | <b>As at June<br/>30, 2016</b> | <b>As at March 31,</b> |              |             |             |
|----------------------------------|--------------------------------|------------------------|--------------|-------------|-------------|
|                                  |                                | <b>2016</b>            | <b>2015</b>  | <b>2014</b> | <b>2013</b> |
| Provision for Taxes (Net of TDS) | 80.55                          | 70.74                  | 10.22        | 1.51        | -           |
| Provision for Gratuity           | 0.17                           | 0.15                   | 0.06         | 0.03        | 0.02        |
| <b>TOTAL</b>                     | <b>80.72</b>                   | <b>70.89</b>           | <b>10.28</b> | <b>1.54</b> | <b>0.02</b> |



**ANNEXURE XIV: DETAILS OF FIXED ASSETS AS RESTATED**

**Rs in Lakhs**

| FIXED ASSETS           | GROSS BLOCK             |               |                | DEPRECIATION            |                        |                        |                                     | NET BLOCK              |                         |                         |
|------------------------|-------------------------|---------------|----------------|-------------------------|------------------------|------------------------|-------------------------------------|------------------------|-------------------------|-------------------------|
|                        | AS AT<br>01.04.20<br>12 | ADDITIO<br>NS | DEDUCTIO<br>NS | AS AT<br>31.03.20<br>12 | UPTO<br>01.04.20<br>11 | FOR<br>THE<br>YEA<br>R | DEDUCTIO<br>NS /<br>ADJUSTMEN<br>TS | UPTO<br>31.03.20<br>13 | AS AT<br>31.03.20<br>13 | AS AT<br>31.03.20<br>12 |
| <b>Tangible Assets</b> |                         |               |                |                         |                        |                        |                                     |                        |                         |                         |
| Aquaguard              | -                       | 0.02          | -              | 0.02                    | -                      | -                      | -                                   | -                      | 0.02                    | -                       |
| Mobile Telephone       | -                       | 0.41          | -              | 0.41                    | -                      | 0.03                   | -                                   | 0.03                   | 0.37                    | -                       |
| <b>Grand Total</b>     | <b>-</b>                | <b>0.43</b>   | <b>-</b>       | <b>0.43</b>             | <b>-</b>               | <b>0.03</b>            | <b>-</b>                            | <b>0.03</b>            | <b>0.39</b>             | <b>-</b>                |

| FIXED ASSETS           | GROSS BLOCK             |               |                | DEPRECIATION            |                        |                        |                                     | NET BLOCK              |                         |                         |
|------------------------|-------------------------|---------------|----------------|-------------------------|------------------------|------------------------|-------------------------------------|------------------------|-------------------------|-------------------------|
|                        | AS AT<br>01.04.20<br>13 | ADDITIO<br>NS | DEDUCTIO<br>NS | AS AT<br>31.03.20<br>14 | UPTO<br>01.04.20<br>13 | FOR<br>THE<br>YEA<br>R | DEDUCTIO<br>NS /<br>ADJUSTMEN<br>TS | UPTO<br>31.03.20<br>14 | AS AT<br>31.03.20<br>14 | AS AT<br>31.03.20<br>13 |
| <b>Tangible Assets</b> |                         |               |                |                         |                        |                        |                                     |                        |                         |                         |
| Aquaguard              | 0.02                    | -             | -              | 0.02                    | -                      | -                      | -                                   | -                      | 0.02                    | 0.02                    |
| Mobile Telephone       | 0.41                    | -             | -              | 0.41                    | 0.03                   | 0.05                   | -                                   | 0.08                   | 0.33                    | 0.38                    |
| Furniture              | -                       | 6.39          | -              | 6.39                    | -                      | 0.08                   | -                                   | 0.08                   | 6.31                    | -                       |
| Computer Systems       | -                       | 1.52          | -              | 1.52                    | -                      | 0.30                   | -                                   | 0.30                   | 1.22                    | -                       |
| <b>Total</b>           | <b>0.43</b>             | <b>7.91</b>   | <b>-</b>       | <b>8.34</b>             | <b>0.03</b>            | <b>0.43</b>            | <b>-</b>                            | <b>0.46</b>            | <b>7.88</b>             | <b>0.40</b>             |



| FIXED ASSETS             | GROSS BLOCK      |              |             |                  | DEPRECIATION    |                |                             |                 | NET BLOCK        |                  |
|--------------------------|------------------|--------------|-------------|------------------|-----------------|----------------|-----------------------------|-----------------|------------------|------------------|
|                          | AS AT 01.04.2013 | ADDITIO NS   | DEDUCTIO NS | AS AT 31.03.2014 | UPTO 01.04.2013 | FOR THE YE A R | DEDUCTIO N S / ADJUSTMEN TS | UPTO 31.03.2014 | AS AT 31.03.2014 | AS AT 31.03.2013 |
| <b>Intangible Assets</b> |                  |              |             |                  |                 |                |                             |                 |                  |                  |
| -Computer Software       | -                | 10.05        | -           | 10.05            | -               | 3.76           | -                           | 3.76            | 6.29             | -                |
| <b>Total</b>             | -                | 10.05        | -           | 10.05            | -               | 3.76           | -                           | 3.76            | 6.29             | -                |
| <b>Grand Total</b>       | <b>0.43</b>      | <b>17.96</b> | -           | <b>18.39</b>     | <b>0.03</b>     | <b>4.19</b>    | -                           | <b>4.22</b>     | <b>14.17</b>     | <b>0.40</b>      |

| FIXED ASSETS           | GROSS BLOCK      |              |             |                  | DEPRECIATION    |                |                             |                 | NET BLOCK        |                  |
|------------------------|------------------|--------------|-------------|------------------|-----------------|----------------|-----------------------------|-----------------|------------------|------------------|
|                        | AS AT 01.04.2014 | ADDITIO NS   | DEDUCTIO NS | AS AT 31.03.2015 | UPTO 01.04.2014 | FOR THE YE A R | DEDUCTIO N S / ADJUSTMEN TS | UPTO 31.03.2015 | AS AT 31.03.2015 | AS AT 31.03.2014 |
| <b>Tangible Assets</b> |                  |              |             |                  |                 |                |                             |                 |                  |                  |
| Aquaguard              | 0.02             | -            | -           | 0.02             | -               | 0.01           | -                           | 0.01            | 0.01             | 0.02             |
| Mobile Telephone       | 0.41             | 0.06         | -           | 0.47             | 0.08            | 0.32           | -                           | 0.40            | 0.07             | 0.33             |
| Furniture              | 6.39             | 3.75         | -           | 10.14            | 0.08            | 5.42           | -                           | 5.50            | 4.64             | 6.31             |
| Computer Systems       | 1.52             | 3.31         | -           | 4.83             | 0.30            | 3.47           | -                           | 3.77            | 1.06             | 1.22             |
| Air Conditioner        | -                | 1.15         | -           | 1.15             | -               | 1.02           | -                           | 1.02            | 0.13             | -                |
| Camera                 | -                | 0.21         | -           | 0.21             | -               | 0.15           | -                           | 0.15            | 0.06             | -                |
| Eye Tracker            | -                | 20.50        | -           | 20.50            | -               | 11.15          | -                           | 11.15           | 9.35             | -                |
| Television             | -                | 0.33         | -           | 0.33             | -               | 0.28           | -                           | 0.28            | 0.05             | -                |
| <b>Total</b>           | <b>8.34</b>      | <b>29.31</b> | -           | <b>37.65</b>     | <b>0.46</b>     | <b>21.82</b>   | -                           | <b>22.28</b>    | <b>15.37</b>     | <b>7.88</b>      |
| <b>Intangible</b>      |                  |              |             |                  |                 |                |                             |                 |                  |                  |





| FIXED ASSETS       | GROSS BLOCK      |              |             |                  | DEPRECIATION    |                |                             |                 | NET BLOCK        |                  |
|--------------------|------------------|--------------|-------------|------------------|-----------------|----------------|-----------------------------|-----------------|------------------|------------------|
|                    | AS AT 01.04.2014 | ADDITIO NS   | DEDUCTIO NS | AS AT 31.03.2015 | UPTO 01.04.2014 | FOR THE YE A R | DEDUCTIO N S / ADJUSTMEN TS | UPTO 31.03.2015 | AS AT 31.03.2015 | AS AT 31.03.2014 |
| <b>Assets</b>      |                  |              |             |                  |                 |                |                             |                 |                  |                  |
| Computer Software  | 10.05            | -            | -           | 10.05            | 3.76            | 5.84           | -                           | 9.60            | 0.45             | 6.29             |
| <b>Grand Total</b> | <b>18.39</b>     | <b>29.31</b> | <b>-</b>    | <b>47.70</b>     | <b>4.22</b>     | <b>27.66</b>   | <b>-</b>                    | <b>31.88</b>    | <b>15.82</b>     | <b>14.17</b>     |

| FIXED ASSETS             | GROSS BLOCK      |              |             |                  | DEPRECIATION    |                |                             |                 | NET BLOCK        |                  |
|--------------------------|------------------|--------------|-------------|------------------|-----------------|----------------|-----------------------------|-----------------|------------------|------------------|
|                          | AS AT 01.04.2014 | ADDITIO NS   | DEDUCTIO NS | AS AT 31.03.2015 | UPTO 01.04.2015 | FOR THE YE A R | DEDUCTIO N S / ADJUSTMEN TS | UPTO 31.03.2016 | AS AT 31.03.2016 | AS AT 31.03.2015 |
| <b>Tangible Assets</b>   |                  |              |             |                  |                 |                |                             |                 |                  |                  |
| Aquaguard                | 0.02             | -            | -           | 0.02             | 0.01            | 0.01           | -                           | 0.02            | -                | 0.01             |
| Mobile Telephone         | 0.47             | 0.18         | -           | 0.65             | 0.40            | 0.19           |                             | 0.59            | 0.06             | 0.07             |
| Furniture                | 10.14            | 0.39         | -           | 10.53            | 5.50            | 3.45           | -                           | 8.95            | 1.58             | 4.64             |
| Computer Systems         | 4.83             | 4.88         | -           | 9.71             | 3.77            | 3.72           |                             | 7.49            | 2.22             | 1.06             |
| Air Conditioner          | 1.15             | -            | -           | 1.15             | 1.02            | 0.12           | -                           | 1.14            | 0.01             | 0.13             |
| Camera                   | 0.21             | -            | -           | 0.21             | 0.15            | 0.05           |                             | 0.20            | 0.01             | 0.06             |
| Eye Tracker              | 20.50            | 21.16        | -           | 41.66            | 11.15           | 9.68           | -                           | 20.83           | 20.83            | 9.35             |
| Television               | 0.33             | -            | -           | 0.33             | 0.28            | 0.04           |                             | 0.32            | 0.01             | 0.05             |
| <b>Total</b>             | <b>37.65</b>     | <b>26.61</b> | <b>-</b>    | <b>64.26</b>     | <b>22.28</b>    | <b>17.26</b>   | <b>-</b>                    | <b>39.54</b>    | <b>24.72</b>     | <b>15.37</b>     |
| <b>Intangible Assets</b> |                  |              |             |                  |                 |                |                             |                 |                  |                  |
| Computer                 | 10.05            | 0.48         | -           | 10.53            | 9.60            | 0.76           | -                           | 10.35           | 0.18             | 0.45             |



| FIXED ASSETS | GROSS BLOCK             |               |                |                         | DEPRECIATION           |                        |                                   |                        | NET BLOCK               |                         |
|--------------|-------------------------|---------------|----------------|-------------------------|------------------------|------------------------|-----------------------------------|------------------------|-------------------------|-------------------------|
|              | AS AT<br>01.04.20<br>14 | ADDITIO<br>NS | DEDUCTIO<br>NS | AS AT<br>31.03.20<br>15 | UPTO<br>01.04.20<br>15 | FOR<br>THE<br>YEA<br>R | DEDUCTIO<br>S/<br>ADJUSTMEN<br>TS | UPTO<br>31.03.20<br>16 | AS AT<br>31.03.20<br>16 | AS AT<br>31.03.20<br>15 |
| Software     |                         |               |                |                         |                        |                        |                                   |                        |                         |                         |
| Grand Total  | 47.70                   | 27.09         | -              | 74.79                   | 31.88                  | 18.02                  | -                                 | 49.89                  | 24.90                   | 15.82                   |

| FIXED ASSETS             | GROSS BLOCK             |               |                |                         | DEPRECIATION           |                 |   |                        | NET BLOCK               |                         |
|--------------------------|-------------------------|---------------|----------------|-------------------------|------------------------|-----------------|---|------------------------|-------------------------|-------------------------|
|                          | AS AT<br>01.04.20<br>16 | ADDIT<br>IONS | DEDUC<br>TIONS | AS AT<br>30.06.20<br>16 | UPTO<br>01.04.20<br>16 | FOR THE<br>YEAR | DEDUC<br>TIONS /<br>ADJUS<br>TMENT<br>S | UPTO<br>30.06.2<br>016 | AS AT<br>30.06.20<br>16 | AS AT<br>31.03.20<br>16 |
| <b>Tangible Assets</b>   |                         |               |                |                         |                        |                 |   |                        |                         |                         |
| Aquaguard                | 0.02                    | -             | -              | 0.02                    | 0.02                   | 0.01            | -                                       | 0.03                   | 0.01                    | -                       |
| Mobile Telephone         | 0.65                    | -             | -              | 0.65                    | 0.59                   | 0.01            |   | 0.60                   | 0.05                    | 0.06                    |
| Furniture                | 10.53                   | 0.35          | -              | 10.88                   | 8.95                   | 0.30            | -                                       | 9.25                   | 1.63                    | 1.58                    |
| Computer Systems         | 9.71                    | -             | -              | 9.71                    | 7.49                   | 0.53            |   | 8.02                   | 1.69                    | 2.22                    |
| Air Conditioner          | 1.15                    | -             | -              | 1.15                    | 1.14                   | 0.01            | -                                       | 1.15                   | -                       | 0.01                    |
| Camera                   | 0.21                    | -             | -              | 0.21                    | 0.20                   |                 | -                                       | 0.20                   | 0.01                    | 0.01                    |
| Eye Tracker              | 41.66                   | -             | -              | 41.66                   | 20.83                  | 4.87            | -                                       | 25.70                  | 15.96                   | 20.83                   |
| Television               | 0.33                    | -             | -              | 0.33                    | 0.32                   |                 | -                                       | 0.32                   | 0.01                    | 0.01                    |
| <b>Total</b>             | 64.26                   | 0.35          | -              | 64.61                   | 39.54                  | 5.73            | -                                       | 45.27                  | 19.34                   | 24.72                   |
| <b>Intangible Assets</b> |                         |               |                |                         |                        |                 |   |                        |                         |                         |



|                     | GROSS BLOCK             |               |                |                         | DEPRECIATION           |                 |   |                        | NET BLOCK               |                         |
|---------------------|-------------------------|---------------|----------------|-------------------------|------------------------|-----------------|---|------------------------|-------------------------|-------------------------|
|                     | AS AT<br>01.04.20<br>16 | ADDIT<br>IONS | DEDUC<br>TIONS | AS AT<br>30.06.20<br>16 | UPTO<br>01.04.20<br>16 | FOR THE<br>YEAR | DEDUC<br>TIONS /<br>ADJUS<br>TMENT<br>S | UPTO<br>30.06.2<br>016 | AS AT<br>30.06.20<br>16 | AS AT<br>31.03.20<br>16 |
| <b>FIXED ASSETS</b> |                         |               |                |                         |                        |                 |   |                        |                         |                         |
| Computer Software   | 10.53                   | -             | -              | 10.53                   | 10.35                  | 0.04            | -                                       | 10.39                  | 0.14                    | 0.18                    |
|                     | 10.53                   | -             | -              | 10.53                   | 10.35                  | 0.04            | -                                       | 10.39                  | 0.14                    | 0.18                    |
| Grand Total         | <b>74.79</b>            | <b>0.35</b>   | -              | <b>75.14</b>            | <b>49.89</b>           | <b>5.77</b>     | -                                       | <b>55.66</b>           | <b>19.48</b>            | <b>24.90</b>            |



**ANNEXURE XV: DETAILS OF NON-CURRENT INVESTMENTS AS RESTATED**

Rs in Lakhs

| Particulars  | As at June 30, 2016 | As at March 31, |             |      |      |
|--|---------------------|-----------------|-------------|------|------|
|  |                     | 2016            | 2015        | 2014 | 2013 |
| 5000 Equity Shares of Scent Analysis Majestic Private Limited                | 0.50                | 0.50            | 0.50        | -    | -    |
| 9999 (7000) Equity Shares of Atrevido Research & Consultants Private Limited | 1.00                | 1.00            | 0.70        | -    | -    |
| <b>TOTAL</b>   | <b>1.50</b>         | <b>1.50</b>     | <b>1.20</b> | -    | -    |
| Aggregate Cost of Quoted Investments   | -                   | -               | -           | -    | -    |
| Aggregate Cost of Unquoted Investments                                       | 1.50                | 1.50            | 1.20        | -    | -    |
| Aggregate Market Value of Quoted Investments                                 | -                   | -               | -           | -    | -    |
| 5000 Equity Shares of Scent Analysis Majestic Private Limited                | 0.50                | 0.50            | 0.50        | -    | -    |
| 9999 (7000) Equity Shares of Atrevido Research & Consultants Private Limited | 1.00                | 1.00            | 0.70        | -    | -    |

**ANNEXURE XVI: DETAILS OF LONG TERM LOAN AND ADVANCES AS RESTATED**

Rs in Lakhs

| Particulars                           | As at June 30, 2016 | As at March 31, |              |              |      |
|---------------------------------------|---------------------|-----------------|--------------|--------------|------|
|                                       |                     | 2016            | 2015         | 2014         | 2013 |
| Security Deposit                      | 15.01               | 15.01           | 11.60        | 10.60        | -    |
| Advance Income Tax (Net of Provision) | -                   | -               | -            | -            | -    |
| Deposit with Revenue Authorities      | -                   | -               | -            | 0.46         | -    |
| Capital Advances                      | -                   | -               | -            | -            | -    |
| <b>TOTAL</b>                          | <b>15.01</b>        | <b>15.01</b>    | <b>11.60</b> | <b>11.06</b> | -    |

**ANNEXURE XVII: DETAILS OF TRADE RECEIVABLES AS RESTATED**

Rs in Lakhs

| Particulars   | As at June 30, 2016 | As at March 31, |        |        |       |
|---|---------------------|-----------------|--------|--------|-------|
|   |                     | 2016            | 2015   | 2014   | 2013  |
| <b><u>Unsecured, considered goods</u></b>   |                     |                 |        |        |       |
| - Other Debts   | -                   | -               | -      | -      | -     |
| From Directors/ Promoter/ Promoter Group/Relatives of Directors and Group Companies | 11.75               | 8.59            | -      | -      | -     |
| From others   | 605.36              | 526.13          | 363.08 | 193.46 | 12.52 |
| -Outstanding for more than Six Months   |                     |                 |        |        |       |
| From Directors/ Promoter/ Promoter Group/Relatives of Directors and Group Companies | -                   | -               | -      | -      | -     |



|              |               |               |               |               |              |
|--------------|---------------|---------------|---------------|---------------|--------------|
| From others  | 251.62        | 83.06         | 103.26        | 11.92         | -            |
| <b>TOTAL</b> | <b>868.70</b> | <b>617.78</b> | <b>466.34</b> | <b>205.38</b> | <b>12.52</b> |

**ANNEXURE XVIII: DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED**

| Particulars                  | As at June 30, 2016 | As at March 31, |             |             |             |
|------------------------------|---------------------|-----------------|-------------|-------------|-------------|
|                              |                     | 2016            | 2015        | 2014        | 2013        |
| Cash In Hand                 | 0.76                | 0.83            | 0.41        | -           | -           |
| Balance with Scheduled Banks | 15.48               | 63.40           | 3.68        | 0.12        | 0.09        |
| <b>TOTAL</b>                 | <b>16.24</b>        | <b>64.23</b>    | <b>4.09</b> | <b>0.12</b> | <b>0.09</b> |

**ANNEXURE XIX: DETAILS OF SHORT TERM LOAN AND ADVANCES AS RESTATED**

**Rs in Lakhs**

| Particulars                        | As at June 30, 2016 | As at March 31, |              |               |              |
|------------------------------------|---------------------|-----------------|--------------|---------------|--------------|
|                                    |                     | 2016            | 2015         | 2014          | 2013         |
| Advance to supplier                | -                   | -               | -            | -             | 10.05        |
| Advance for expenses               | 177.00              | 176.349         | 23.88        | 68.11         | 63.71        |
| Advance Income Tax                 | -                   | -               | 1.65         | 1.69          | 1.69         |
| Advance to Related Parties         | 2.36                | 1.51            | -            | 3.86          | -            |
| Advance to Others (Body Corporate) | -                   | 21.42           | -            | 108.50        | -            |
| <b>TOTAL</b>                       | <b>179.36</b>       | <b>199.42</b>   | <b>25.53</b> | <b>182.16</b> | <b>75.45</b> |

**ANNEXURE XX: DETAILS OF OTHER CURRENT ASSETS AS RESTATED**

**Rs in Lakhs**

| Particulars          | As at June 30, 2016 | As at March 31, |              |             |          |
|----------------------|---------------------|-----------------|--------------|-------------|----------|
|                      |                     | 2016            | 2015         | 2014        | 2013     |
| Prepaid expenses     | 5.00                | 5.00            | -            | 2.61        | -        |
| Share Issue Expenses | 11.49               | 11.49           | -            | 5.00        | -        |
| Preliminary Expenses | -                   | -               | 20.98        | -           | -        |
| <b>TOTAL</b>         | <b>16.49</b>        | <b>16.49</b>    | <b>20.98</b> | <b>7.61</b> | <b>-</b> |

**ANNEXURE XXI: DETAILS OF REVENUE FROM OPERATIONS AS RESTATED**

**Rs in Lakhs**

| Particulars   | As at June 30, 2016 | As at March 31, |               |               |              |
|---|---------------------|-----------------|---------------|---------------|--------------|
|   |                     | 2016            | 2015          | 2014          | 2013         |
| Sales of Manufactured Goods                             | -                   | -               | -             | -             | -            |
| Sales of Traded Goods                                   | -                   | -               | -             | -             | -            |
| Sales of Services                                       | 436.54              | 1,112.96        | 550.77        | 226.03        | 47.93        |
| Turnover in respect of products not normally dealt with | -                   | -               | -             | -             | -            |
| <b>TOTAL</b>  | <b>436.54</b>       | <b>1,112.96</b> | <b>550.77</b> | <b>226.03</b> | <b>47.93</b> |



**ANNEXURE XXII: DETAILS OF OTHER INCOME AS RESTATED**

**Rs in Lakhs**

| Particulars                       | For the period ended June 30, 2016 | For the year ended March 31, |              |              |              |
|-----------------------------------|------------------------------------|------------------------------|--------------|--------------|--------------|
|                                   |                                    | 2016                         | 2015         | 2014         | 2013         |
| Other Income                      | 3.96                               | 14.54                        | -            | -            | -            |
| Net Profit Before Tax as Restated | 127.60                             | 276.78                       | 75.63        | 19.20        | 0.99         |
| <b>Percentage</b>                 | <b>3.10%</b>                       | <b>5.25%</b>                 | <b>0.00%</b> | <b>0.00%</b> | <b>0.00%</b> |

**Source of Income**

**Rs in Lakhs**

| Particulars                       | For the period ended June 30, 2016 | For the year ended March 31, |          |          |          | Nature  |
|-----------------------------------|------------------------------------|------------------------------|----------|----------|----------|---|
|                                   |                                    | 2016                         | 2015     | 2014     | 2013     |   |
| Interest on Income Tax Refund     |                                    | 0.17                         | -        | -        | -        | Non Recurring and not related to business activity. |
| Foreign Exchange Fluctuation Gain | 3.62                               | 12.70                        | -        | -        | -        | Non Recurring and not related to business activity. |
| Interest on Fixed Deposit         | 0.03                               | -                            | -        | -        | -        | Non Recurring and not related to business activity. |
| Interest on Loan                  | 0.31                               | 1.67                         | -        | -        | -        | Non Recurring and not related to business activity. |
| <b>Total Other income</b>         | <b>3.96</b>                        | <b>14.54</b>                 | <b>-</b> | <b>-</b> | <b>-</b> |   |



**ANNEXURE XXIII: DETAILS OF RELATED PARTY TRANSACTION AS RESTATED**

**Rs in Lakhs**

| Particulars                               | Nature of Relationship | Nature of Transaction | Amount of transaction during the period ended June 30, 2016 | Amount outstanding for the period ended June 30, 2016 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2016 | Amount outstanding as on March 31, 2016 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2015 | Amount outstanding as on March 31, 2015 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2014 | Amount outstanding as on March 31, 2014 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2013 | Amount outstanding as on March 31, 2013 (Payable)/ Receivable |
|---|------------------------|-----------------------|---|---|---|---|---|---|---|---|---|---|
|   |                        |                       | MMRSS Ltd.  | (Parent Company)  | Sales   | 14.40   |   | 29.96   |   | -   | (1.84)  | -   |
|   |                        | Project Expenses      | -   |   | -   |   | -   | -   | -   | -   | 10.97   | -   |
|   |                        | Loan Received         | -   |   | 91.86   |   | 69.44   | -   | -   | -   | -   | -   |
|   |                        | Loan Repaid           | -   |   | 91.86   |   | 67.60   | -   | -   | -   | -   | -   |
|   |                        | Loan given            | -   | 11.72   | -   | 8.59  | -   | -   | 1.76  | -   | -   | -   |
| Focus Suites Solutions & Services Pvt Ltd | (Group Company)        | Sales                 |   |   | -   |   | -   |   |   |   | 12.21   |   |
|   |                        | Project Expenses      |   |   | -   |   | -   |   | 79.80   | (84.45)   | 6.50  |   |
|   |                        | Loan taken            |   |   | -   |   | 4.65  |   | 4.65  |   | -   |   |
|   |                        | Loan Repaid           |   |   | -   |   | -   |   | -   |   | -   |   |
| Genpop Consumer                           | (Group Company)        | Loan Received         |   |   | -   |   | -   |   | 0.27  | (0.27)  | -   | -   |





| Particulars                                | Nature of Relationship | Nature of Transaction | Amount of transaction during the period ended June 30, 2016 | Amount outstanding for the period ended June 30, 2016 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2016 | Amount outstanding as on March 31, 2016 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2015 | Amount outstanding as on March 31, 2015 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2014 | Amount outstanding as on March 31, 2014 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2013 | Amount outstanding as on March 31, 2013 (Payable)/ Receivable |
|--|------------------------|-----------------------|---|---|---|---|---|---|---|---|---|---|
| Research Pvt Ltd                           |                        | Loan Repaid           |   |   | -   |   | 0.27  |   | -   |   | -   |   |
| Sandip Bhatia*                             | (Director)             | Loan Given            |   |   | -   |   | -   |   | 2.10  | 2.10  | -   |   |
|  |                        | Loan Received         |   |   | -   |   | 2.10  |   | -   | -   | -   | -   |
|  |                        | Loan Repaid           |   |   | -   |   | 2.10  |   | -   | -   | -   | -   |
|  |                        | Salary                |   |   | -   |   | 2.10  |   | -   | -   | -   | -   |
| Atrevido Research & Consultants Pvt Ltd*** | Subsidiary             | Investment            |   |   | 0.30  | -   | 0.70  | -   | -   | -   | -   |   |
| Scent Analysis Majestic Private Limited    | Joint Venture          | Investment            |   |   | -   | -   | 0.50  | -   | -   | -   | -   |   |
| Saran Panchal                              | Managing Director      | Remuneration          | 14.12   | (3.50)  | 37.65   | -   | 46.40   | (3.50)  | -   | -   | -   |   |
| Rajendra Sharma                            | Whole Time Director    | Remuneration          | 3.75  | (3.75)  | 19.43   | -   | 4.93  | -   | -   | -   | -   |   |
|  |                        | Reimbursement         |   |   | 1.31  | -   | -   | -   | -   | -   | -   |   |



| Particulars     | Nature of Relationship         | Nature of Transaction | Amount of transaction during the period ended June 30, 2016 | Amount outstanding for the period ended June 30, 2016 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2016 | Amount outstanding as on March 31, 2016 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2015 | Amount outstanding as on March 31, 2015 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2014 | Amount outstanding as on March 31, 2014 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2013 | Amount outstanding as on March 31, 2013 (Payable)/ Receivable |
|-----------------|--------------------------------|-----------------------|---|---|---|---|---|---|---|---|---|---|
|                 |                                | of Expenses****       | -   | -   |   |   |   |   |   |   |   |   |
| Mukund Tripathi | Director of Subsidiary Company | Professional Fees     | 0.90  | -   | -   | -   | -   | -   | -   | -   | -   | -   |
| Mitti Jain**    | Company Secretary              | Salary                | -   | -   | -   | -   | 2.93  | -   | -   | -   | -   | -   |
| Sonali Gamne**  | Company Secretary              | Salary                | 0.93  | (0.31)  | 3.62  | (0.28)  | 0.44  | (0.31)  | -   | -   | -   | -   |



*\* Sandip Bhatia is one of the director in the above mentioned group companies and with effect from 23rd July, 2014 he had resigned from the position of directorship in Majestic Research Services and Solutions Limited.*

*\*\* Mitti Jain, Company Secretary of the company had resigned with effect from 20th February, 2015 and her place Company has appointed Sonali Gamne as company secretary.*

*\*\*\* With effect from February 19, 2016, the name of the Company's wholly owned subsidiary Emtee Research and Consultants Private Limited has been changed to "Atrevido Research And Consultants Private Limited".*

*\*\*\*\* Company has reimbursed staff welfare expenses of Rs. 1.31 Lakhs as incurred by Rajendra Kumar Sharma on behalf of the company.*



**ANNEXURE XXIV: DETAILS OF ACCOUNTING RATIOS AS RESTATED**

(Rs In Lakhs, except per share data)

| Particulars   | For the period ended June 30, 2016 | For the year ended March 31, |               |              |              |
|---|------------------------------------|------------------------------|---------------|--------------|--------------|
|   |                                    | 2016                         | 2015          | 2014         | 2013         |
| Restated PAT as per P& L Account  | 83.23                              | 184.48                       | 51.81         | 12.78        | 0.69         |
| Weighted Average Number of Equity Shares at the end of the Year/Period* | 4,122,000                          | 3,803,749                    | 3,002,000     | 769,734      | 41,370       |
| Number of Equity Shares outstanding at the end of the Year/Period       | 4,122,000                          | 4,122,000                    | 3,002,000     | 3,002,000    | 745,000      |
| Net Worth   | 742.06                             | 658.83                       | 347.33        | 310.01       | 75.91        |
| <b>Earnings Per Share</b>   |                                    |                              |               |              |              |
| Basic & Diluted   | 2.02                               | 4.85                         | 1.73          | 1.66         | 1.67         |
| <b>Return on Net Worth (%)</b>  | <b>11.22%</b>                      | <b>28.00%</b>                | <b>14.92%</b> | <b>4.12%</b> | <b>0.91%</b> |
| <b>Net Asset Value Per Share (Rs)</b>                                   | <b>18.00</b>                       | <b>16.60</b>                 | <b>12.17</b>  | <b>10.45</b> | <b>10.09</b> |
| Nominal Value per Equity share (Rs.)                                    | 10.00                              | 10.00                        | 10.00         | 10.00        | 10.00        |

Ratios have been calculated as below

|  |  |
|--|--|
| Basic and Diluted Earnings Per Share (EPS) (Rs.) | Restated Profit after Tax available to equity Shareholders   |
|  | Weighted Average Number of Equity Shares at the end of the year / period   |
| Return on Net Worth (%)                          | Restated Profit after Tax available to equity Shareholders<br>Restated Net Worth of Equity Shareholders          |
| Net Asset Value per equity share (Rs.)           | Restated Net Worth of Equity Shareholders<br>Number of Equity Shares outstanding at the end of the year / period |

**ANNEXURE XXV - CAPITALISATION STATEMENT AS AT JUNE 30, 2016**

Rs in Lakhs

| Particulars                                | Pre Issue     | Post Issue   |
|--|---------------|--------------|
| <b>Borrowings</b>                          |               |              |
| Short term debt (A)                        | 70.75         | 70.75        |
| Long Term Debt (B)                         | -             | -            |
| <b>Total debts (C)</b>                     | <b>70.75</b>  | <b>70.75</b> |
| <b>Shareholders' funds</b>                 |               |              |
| Equity share capital                       | 412.20        | Note         |
| Reserve and surplus - as restated          | 332.99        | Note         |
| <b>Total shareholders' funds</b>           | <b>745.19</b> | <b>Note</b>  |
| <b>Long term debt / shareholders funds</b> | -             | Note         |
| <b>Total debt / shareholders funds</b>     | 0.09          | Note         |



Note: The Post Issue Capitalisation Statement and shareholders funds, assuming that debt level of the company to be same as that of June 30, 2016, could not be calculated now as the issue is through book building and same would be finalised upon completion of issue.

#### ANNEXURE XXVI- STATEMENT OF TAX SHELTERS

Rs in Lakhs

| Particulars   | For the period ended June 30, 2016 | Year ended March 31, 2016 | Year ended March 31, 2015 | Year ended March 31, 2014 | Year ended March 31, 2013 |
|---|------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Profit before tax as per books (A)                        | 127.60                             | 276.78                    | 75.63                     | 19.20                     | 0.99                      |
| Tax Rate (%)  | 33.06%                             | 33.06%                    | 30.90%                    | 30.90%                    | 30.90%                    |
| Tax at notional rate on profits                           | 42.19                              | 91.51                     | 23.37                     | 5.93                      | 0.31                      |
| <b>Adjustments :</b>                                      |                                    |                           |                           |                           |                           |
| <b>Permanent Differences(B)</b>                           |                                    |                           |                           |                           |                           |
| Expenses Disallowed under IT Act, 1961                    | 3.06                               | 4.71                      | 2.99                      | 0.94                      | 1.05                      |
| <b>Total Permanent Differences(B)</b>                     | 3.06                               | 4.71                      | 2.99                      | 0.94                      | 1.05                      |
| <b>Timing Differences (C)</b>                             |                                    |                           |                           |                           |                           |
| Difference between tax depreciation and book depreciation | (2.97)                             | 8.14                      | 18.68                     | -2.89                     | -0.03                     |
| <b>Total Timing Differences (C)</b>                       | <b>(2.97)</b>                      | <b>8.14</b>               | <b>18.68</b>              | <b>-2.89</b>              | <b>-0.03</b>              |
| <b>Net Adjustments D = (B+C)</b>                          | <b>0.09</b>                        | <b>12.85</b>              | <b>21.67</b>              | <b>-1.95</b>              | <b>1.02</b>               |
| <b>Tax expense / (saving) thereon</b>                     | 0.03                               | 4.25                      | 6.70                      | -0.60                     | 0.32                      |
| Taxable Income/(Loss) (A+E+F)                             | <b>127.69</b>                      | <b>289.63</b>             | <b>97.30</b>              | <b>17.25</b>              | <b>2.01</b>               |
| <b>Taxable Income/(Loss) as per MAT</b>                   | 127.60                             | 276.78                    | 75.63                     | 19.20                     | 0.99                      |
| <b>Income Tax as returned/computed</b>                    | 42.22                              | 95.76                     | 30.06                     | 5.33                      | 0.62                      |
| Tax paid as per normal or MAT                             | Normal                             | Normal                    | Normal                    | Normal                    | Normal                    |

#### RECONCILIATION OF RESTATED PROFIT:

Rs In Lakhs

| Adjustments for  | For the period ended June 30, 2016 | For the year ended |              |              |             |
|--|------------------------------------|--------------------|--------------|--------------|-------------|
|  |                                    | 2016               | 2015         | 2014         | 2013        |
| Net Profit/(Loss) after Tax as per Audited Profit & Loss Account | 74.86                              | 190.02             | 53.30        | 13.40        | 1.41        |
| <b>Adjustments for:</b>  |                                    |                    |              |              |             |
| Provision for Gratuity   | 8.15                               | (4.70)             | (1.97)       | (0.42)       | (1.06)      |
| Provision for Tax  | 1.77                               | (1.78)             | -            | -            | 0.01        |
| Provision for deferred tax asset / liability                     | (1.55)                             | 0.95               | 0.47         | (0.19)       | 0.32        |
| <b>Net Profit/ (Loss) After Tax as Restated</b>                  | <b>83.23</b>                       | <b>184.49</b>      | <b>51.81</b> | <b>12.79</b> | <b>0.68</b> |



## Notes

### 1. Provision for Gratuity

Company had provided provision for gratuity in the financials for the period ended on June 30, 2016 for the period relating to financial year ended March 31, 2013 to March 31, 2016. However For the purpose of restatement of financial statements the said provisions including tax/deferred tax impact thereof, wherever required have been appropriately adjusted in the respective years to which it relates. The Provision amount has been taken as per Certified Actuarial Report.

### 2. Provision for Tax

In the year 2012-13, Company had made Excess provision for tax by Rs. 440 whereas in the year 2015-16, Company had provided for tax provision @ 32.445% (Considering Surcharge @ 5%) instead of 33.063% (Incl. Surcharge @ 7%) and the company had provided effect of same in the financial year 2016-17 (i.e April to June 2016). However For the purpose of restatement of financial statements the said adjustments have been appropriately adjusted in the respective years to which it relates.



## AUDITOR'S REPORT ON CONSOLIDATED RESTATED FINANCIAL STATEMENT

### **Independent Auditor's Report for the Consolidated Restated Financial Statements of Majestic Research Services and Solutions Limited**

To

**The Board of Directors,  
Majestic Research Services and Solutions Limited,  
Number 46/17, Church Street  
Bengaluru – 560 001**

Dear Sirs,

1. We have examined the attached consolidated restated statement of assets and liabilities of **Majestic Research Services and Solutions Limited**, (“**the Holding Company**”) and its subsidiary and associate companies as at June 30, 2016, March 31, 2016 and 2015 consolidated restated statement of profit and loss and consolidated restated statement of cash flows for the period ended on June 30, 2016 and financial year ended on March 31, 2016 and 2015 (collectively referred to as the “**consolidated restated summary statements**” or “**consolidated restated financial statements**”) annexed to this report. These consolidated restated summary statements have been prepared by the Holding Company and approved by the Board of Directors of the Holding Company in connection with the Further Public Offering (FPO) on SME Platform of BSE Limited (“**BSE**”).
2. These consolidated restated summary statements have been prepared in accordance with the requirements of:
  - (iii) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (“the Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (iv) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (“**ICDR Regulations**”) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“**SEBI**”).
3. We have examined such consolidated restated financial statements taking into consideration:
  - (i) The terms of reference to our engagements letter dated June 14, 2016 requesting us to carry out the assignment, in connection with the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus being issued by the Company for its proposed Further Public Offering of equity shares in SME platform of BSE Limited; and
  - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”).
4. The consolidated restated summary statements of the Company have been extracted by the management from the audited financial statements of the Company for the period ended on June 30, 2016 and financial year ended on March 31, 2016 and 2015 which have been approved by the Board of Directors.
5. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - (i) The “**consolidated restated statement of asset and liabilities**” of the Company as at June 30, 2016, March 31, 2016 and 2015 examined by us, as set out in **Annexure I** to this





report, read with significant accounting policies and notes to restated summary statements as set out in **Annexure IV** to this report have been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

- (ii) The “**consolidated restated statement of profit and loss**” of the Company for the period ended on June 30, 2016 and financial year ended on March 31, 2016 and 2015 examined by us, as set out in **Annexure II** to this report, read with significant accounting policies and notes to restated summary statements as set out in **Annexure IV** to this report have been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (iii) The “**consolidated restated statement of cash flows**” of the Company for the period ended on June 30, 2016 and financial year ended on March 31, 2016 and 2015 examined by us, as set out in **Annexure III** to this report, read with significant accounting policies and notes to restated summary statements as set out in **Annexure IV** to this report have been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
6. Based on the above, we are of the opinion that the consolidated restated financial statements have been prepared:
- e) Using consistent accounting policies for all the reporting periods.
  - f) Making adjustments for prior period and other material amounts in the respective financial years to which they relate.
  - g) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
  - h) There are no audit qualifications in the Audit Reports issued by the Statutory Auditors for the period ended on June 30, 2016 and financial year ended on March 31, 2016 and 2015 which would require adjustments in this consolidated restated financial statement of the Company.
7. Audit for the period ended on June 30, 2016 and financial year ended on March 31, 2016 and 2015 was conducted by us.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Holding Company and annexed to this report relating to the Company for the period ended on June 30, 2016 and for the financial year ended on March 31, 2016 and 2015 proposed to be included in the Draft Red Herring Prospectus / Red Herring Prospectus/ Prospectus (“**Offer Document**”).

**Annexure to consolidated restated financial statements of the Company:-**

1. Summary consolidated statement of assets and liabilities, as restated as appearing in ANNEXURE I;
2. Summary consolidated statement of profit and loss, as restated as appearing in ANNEXURE II;
3. Summary consolidated statement of cash flows, as restated as appearing in ANNEXURE III;
4. Significant accounting policies and notes to summary financial statements as appearing in ANNEXURE IV;
5. Details of share capital, as restated as appearing in ANNEXURE V to this report;
6. Details of reserves and surplus, as restated as appearing in ANNEXURE VI to this report;



7. Details of long term borrowings, as restated as appearing in ANNEXURE VII to this report;
  8. Details of deferred tax asset/liability, as restated as per ANNEXURE VIII to this report;
  9. Details of long term provisions, as restated as per ANNEXURE IX to this report
  10. Details of short term borrowings, as restated as appearing in ANNEXURE X to this report;
  11. Details of trade payables, as restated as appearing in ANNEXURE XI to this report;
  12. Details of other current liabilities, as restated as appearing in ANNEXURE XII to this report;
  13. Details of short term provisions, as restated as appearing in ANNEXURE XIII to this report;
  14. Details of fixed assets, as restated as appearing in ANNEXURE XIV to this report;
  15. Details of long term loans and advances, as restated as appearing in ANNEXURE XV to this report;
  16. Details of trade receivables, as restated as appearing in ANNEXURE XVI to this report;
  17. Details of cash and cash equivalents, as restated as appearing in ANNEXURE XVII to this report;
  18. Details of short term loans and advances, as restated as appearing in ANNEXURE XVIII to this report;
  19. Details of other current assets, as restated as appearing in ANNEXURE XIX to this report;
  20. Details of revenue from operations, as restated as appearing in ANNEXURE XX to this report;
  21. Details of other income, as restated as appearing in ANNEXURE XXI to this report;
  22. Details of related party transactions, as restated as appearing in ANNEXURE XXII to this report;
  23. Summary of significant accounting ratios, as restated as appearing in ANNEXURE XXIII to this report,
  24. Capitalisation statement as at June 30, 2016, as restated as appearing in ANNEXURE XXIV to this report;
9. We, R T Jain & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
  10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
  11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  12. In our opinion, the above financial information contained in Annexure I to XXV of this report read with the respective significant accounting policies and notes to notes to restated summary statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.



13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME FPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For R T Jain & Co.**  
**Chartered Accountants**  
**Firm Registration no.103961W**

**(CA Bankim Jain)**  
**Partner**  
**Membership No.139447**  
**Mumbai, November 09, 2016**



**ANNEXURE I: CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

| Particulars                              | As at June<br>30, 2016 | Rs In Lakhs     |               |
|--|------------------------|-----------------|---------------|
|  |                        | As at March 31, |               |
|  |                        | 2016            | 2015          |
| <b>EQUITY AND LIABILITIES</b>            |                        |                 |               |
| <b>Shareholders Funds</b>                |                        |                 |               |
| a. Share Capital                         | 412.20                 | 412.20          | 300.20        |
| b. Reserves & Surplus                    | 330.12                 | 246.34          | 63.92         |
| Minority Interest                        | -                      | -               | -0.07         |
| <b>Non Current Liabilities</b>           |                        |                 |               |
| a. Long Term Borrowings                  | -                      | -               | -             |
| b. Deferred Tax Liabilities              | -                      | -               | -             |
| c. Other Long Term Liabilities           | -                      | -               | -             |
| c. Long Term Provisions                  | 9.02                   | 8.00            | 3.39          |
| <b>Current Liabilities</b>               |                        |                 |               |
| a. Short Term Borrowings                 | 100.06                 | 75.16           | 123.83        |
| b. Trade Payables                        | 31.71                  | 19.72           | 8.34          |
| c. Other Current Liabilities             | 162.12                 | 121.32          | 45.81         |
| d. Short Term Provisions                 | 80.13                  | 70.06           | 8.63          |
| <b>T O T A L</b>                         | <b>1125.36</b>         | <b>952.80</b>   | <b>554.05</b> |
| <b>ASSETS</b>                            |                        |                 |               |
| <b>Non Current Assets</b>                |                        |                 |               |
| a. Fixed Assets                          |                        |                 |               |
| i. Tangible Assets                       | 64.61                  | 64.89           | 38.28         |
| ii. Intangible Assets                    | 10.90                  | 12.87           | 12.02         |
| Less: Accumulated Depreciation           | 55.63                  | 51.02           | 32.22         |
| iii. Intangible Assets under development | -                      | -               | -             |
| iv. Capital Work in Progress             | -                      | -               | -             |
| <b>Net Block</b>                         | <b>19.88</b>           | <b>26.74</b>    | <b>18.08</b>  |
| b. Deferred Tax Assets (Net)             | 6.68                   | 8.92            | 5.39          |
| c. Non-current Investments               | -                      | -               | -             |
| d. Long Term Loans & Advances            | 15.01                  | 15.01           | 11.60         |
| e. Other Non Current Assets              |                        | -               | -             |
| <b>Current Assets</b>                    |                        |                 |               |
| a. Current Investment                    |                        | -               | -             |
| a. Inventories                           |                        | -               | -             |
| b. Trade Receivables                     | 872.38                 | 621.46          | 468.34        |
| c. Cash and Cash Equivalents             | 16.71                  | 65.06           | 5.40          |
| d. Short Term Loans & Advances           | 177.00                 | 197.91          | 23.88         |
| e. Other Current Assets                  | 17.70                  | 17.70           | 21.36         |
| <b>T O T A L</b>                         | <b>1125.36</b>         | <b>952.80</b>   | <b>554.05</b> |



**ANNEXURE II: CONSOLIDATED STATEMENT OF PROFIT AND LOSS AS RESTATED**

**Rs In Lakhs**

| Particulars   | For the period ended June 30, 2016 | As at March 31, |               |
|---|------------------------------------|-----------------|---------------|
|   |                                    | 2016            | 2015          |
| <b>INCOME</b>   |                                    |                 |               |
| Revenue from Operations   | 436.54                             | 1,116.61        | 552.81        |
| Other Income  | 5.09                               | 14.64           | -             |
| <b>Total Income (A)</b>   | <b>441.63</b>                      | <b>1,131.25</b> | <b>552.81</b> |
| <b>EXPENDITURE</b>  |                                    |                 |               |
| Direct Expenses   | 196.58                             | 453.55          | 103.26        |
| Employee benefit expenses   | 69.48                              | 257.22          | 254.64        |
| Finance costs   | 7.22                               | 14.21           | 9.42          |
| Depreciation and amortisation expense                               | 5.76                               | 21.74           | 28.08         |
| Other Expenses  | 34.23                              | 109.88          | 83.42         |
| <b>Total Expenses (B)</b>   | <b>313.27</b>                      | <b>856.60</b>   | <b>478.82</b> |
| <b>Profit before extraordinary items and tax</b>                    | <b>128.36</b>                      | <b>274.65</b>   | <b>73.99</b>  |
| Prior period items (Net)  | -                                  | -               | -             |
| <b>Profit before exceptional, extraordinary items and tax (A-B)</b> | <b>128.36</b>                      | <b>274.65</b>   | <b>73.99</b>  |
| Exceptional items   | -                                  | -               | -             |
| <b>Profit before extraordinary items and tax</b>                    | <b>128.36</b>                      | <b>274.65</b>   | <b>73.99</b>  |
| Extraordinary items   | -                                  | -               | -             |
| <b>Profit before tax</b>  | <b>128.36</b>                      | <b>274.65</b>   | <b>73.99</b>  |
| <i>Tax expense :</i>  |                                    |                 |               |
| (i) Current tax   | 42.35                              | 95.76           | 30.06         |
| (ii) Deferred tax   | 2.24                               | (3.53)          | (6.16)        |
| (iii) MAT Credit  |                                    |                 | -             |
| <b>Total Tax Expense</b>  | <b>44.59</b>                       | <b>92.23</b>    | <b>23.90</b>  |
| <b>Profit for the year (D-E)</b>                                    | <b>83.77</b>                       | <b>182.42</b>   | <b>50.09</b>  |
| <b>Minority Interest</b>  | -                                  | -               | (0.37)        |
| <b>Profit After Minority Interest</b>                               | <b>83.77</b>                       | <b>182.42</b>   | <b>50.46</b>  |



**ANNEXURE III: CONSOLIDATED STATEMENT OF CASH FLOW AS RESTATED**

|   | For the period ended June 30, 2016 | For the year ended March 31, |                |
|---|------------------------------------|------------------------------|----------------|
|   |                                    | 2016                         | 2015           |
| <b>Cash Flow From Operating Activities:</b>                       |                                    |                              |                |
| Net Profit before tax as per Profit And Loss A/c                  | 128.37                             | 274.65                       | 73.98          |
| <b>Adjustments for:</b>   |                                    |                              |                |
| Depreciation & Amortisation Expense                               | 5.76                               | 21.74                        | 28.08          |
| Provision for Gratuity  | 1.04                               | 4.71                         | 1.96           |
| Interest Expense  | 7.22                               | 13.57                        | 6.24           |
| Interest Income   | (0.34)                             | (1.67)                       | -              |
| Profit on Sale of Fixed Assets                                    | (1.13)                             | -                            | -              |
| <b>Operating Profit Before Working Capital Changes</b>            | <b>140.92</b>                      | <b>313.00</b>                | <b>110.26</b>  |
| Adjusted for (Increase)/ Decrease in:                             |                                    |                              |                |
| Trade Receivables   | (250.92)                           | (153.12)                     | (262.95)       |
| Loans and advances and other assets                               | (22.60)                            | (175.67)                     | 122.73         |
| Liabilities & Provisions  | 52.80                              | 86.88                        | (44.00)        |
| <b>Cash Generated From Operations Before Extra-Ordinary Items</b> | <b>(79.80)</b>                     | <b>71.07</b>                 | <b>(73.96)</b> |
| Add:- Extra-Ordinary Items  |                                    | -                            | -              |
| <b>Cash Generated From Operations</b>                             | <b>(79.80)</b>                     | <b>71.07</b>                 | <b>(73.96)</b> |
| Net Income Tax paid/ refunded                                     | (10.22)                            | -                            | (1.51)         |
| <b>Net Cash Flow from/(used in) Operating Activities: (A)</b>     | <b>(89.95)</b>                     | <b>71.08</b>                 | <b>(75.47)</b> |
| <b>Cash Flow From Investing Activities:</b>                       |                                    |                              |                |
| Purchase of Fixed Assets (including capital work in progress)     | (0.35)                             | (27.09)                      | (31.91)        |
| Sale of Fixed Assets  | 2.59                               | -                            | -              |
| Purchase of Investments   | -                                  | -                            | -              |
| Interest Income   | 0.34                               | 1.67                         | -              |
| Loan to Others  | 21.42                              | (21.42)                      | -              |
| <b>Net Cash Flow from/(used in) Investing Activities: (B)</b>     | <b>24.00</b>                       | <b>(46.84)</b>               | <b>(31.91)</b> |
| <b>Cash Flow from Financing Activities:</b>                       |                                    |                              |                |
| Proceeds From issue of Share Capital                              | -                                  | 142.80                       | -              |
| Share Issue Expenses  | -                                  | (45.15)                      | -              |
| Net Increase/(Decrease) in Borrowings                             | 24.89                              | (48.66)                      | 118.91         |
| Interest paid   | (7.22)                             | (13.57)                      | (6.24)         |
| <b>Net Cash Flow from/(used in) Financing Activities (C)</b>      | <b>17.67</b>                       | <b>35.42</b>                 | <b>112.67</b>  |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)        | (48.35)                            | 59.65                        | 5.29           |
| Cash & Cash Equivalents As At Beginning of the Year               | 65.06                              | 5.41                         | 0.12           |
| <b>Cash &amp; Cash Equivalents As At End of the Year</b>          | <b>16.71</b>                       | <b>65.06</b>                 | <b>5.41</b>    |



## ANNEXURE IV(A): SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED RESTATED SUMMARY FINANCIALS

### **Basis of preparation of consolidated financial statements and principles of consolidation**

- i. The consolidated financial statements relate to **Majestic Research Services and Solutions Limited** (“the Company”), its subsidiary companies, joint ventures and associates. The company and its subsidiaries constitute the group.
- ii. These consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India (GAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) / Companies Act, 1956 (“the 1956 Act”), as applicable.
- iii. The Company follows the accrual system of accounting where income & expenditure are recognized on accrual basis.
- iv. The financial statements of the subsidiary companies / joint ventures/ associates used in consolidation are audited and drawn upto same reporting date as of the company i.e. period ended June 30, 2016 and year ended March 31, 2016 and 2015.
- v. The consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible, are made in the consolidated financial statement and are presented in the same manner as the company’s standalone financial statements.
- vi. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealised profits have been fully eliminated.
- vii. The consolidated financial statements include the share of profit / (loss) of the associate companies which has been accounted as per the ‘Equity method’, and accordingly, the share of profit / (loss) of each of the associate companies (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments. An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture of the investor.
- viii. The financial statements of the joint venture companies have been combined by using proportionate consolidation method and accordingly, venturer’s share of each of the assets, liabilities, income and expenses of jointly controlled entity is reported as separate line items in the Consolidated Financial Statements.
- ix. The excess of cost to the Company of its investments in the subsidiary companies / joint ventures over its share of equity of the subsidiary companies / joint ventures, at the dates on which the investments in the subsidiary companies / joint ventures are made, is recognised as ‘Goodwill’ being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies / joint ventures as on the date of investment is in excess of cost of investment of the Company, it is recognised as ‘Capital Reserve’ and shown under the head ‘Reserves and Surplus’, in the consolidated financial statements.
- x. Minority Interest in subsidiaries represents the minority shareholders proportionate share of the net assets and net income.
- xi. The figures pertaining to the subsidiaries have been recast / reclassified wherever necessary in order to bring them in line with parent company financial statements.





- xii. The consolidated financial statements of the parent company and the subsidiaries (as listed in the table below) are consolidated from the date on which effective control is acquired and are excluded from the date of transfer/disposal.

**(a) List of Subsidiaries and the company's effective holding thereon.**

| Sr.No | Name of the Entity  | Country of Incorporation | Effective ownership in % either directly or through subsidiaries |
|-------|---|--------------------------|--|
| 1     | Atrevido Research and Consultants Private Limited (Earlier known as Emtee Research and Consultants Private Limited)<br>(Previous Year - 100%) | India                    | 100% (Directly)  |

**(b) List of Joint Venture / Jointly Controlled Entity**

The Group has adopted and accounted for interest in the jointly controlled entity using the "Proportionate Consolidation Method" as Per AS-27 issued by ICAI.

| Sr.No | Name of the Entity  | Country of Incorporation | Effective ownership in % either directly or through subsidiaries |
|-------|---|--------------------------|--|
| 1     | Scent Analysis Majestic Private Limited<br>(Previous Year -50%) | India                    | 50% (Directly)   |

**Significant accounting policies**

**A. Use of Estimates:**

The preparation of financial statements requires management to make estimates and assumptions that affect amounts in the financial statements and reported notes thereto. Actual results could differ from these estimates. Differences between the actual result and estimates are recognized in periods in which the results are known/ materialised.

**B. Fixed Assets and Intangible Asset:**

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price (net of cenvat / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account. Fixed Assets individually costing Rupees Five thousand or less are depreciated at 100% over a period of one Year. Intangible asset are stated at acquisition cost less accumulated amortisation.

**C. Depreciation and Amortisation:**

**In case of Parent Company (Majestic Research Services & Support Limited)**

The Company has provided for depreciation on fixed assets using written down value (WDV) over the useful life of the assets as prescribed in Schedule II to the companies Act, 2013 except the following items where useful lives estimated by the management based on internal technical assessment differ from those provided in Schedule II to the Companies Act, 2013. Intangible assets are amortized over their estimated useful life on a straight line basis. Depreciation on asset acquired / sold during the year



is provided on pro-rata basis with reference to the date of installation / put to use in the books or disposal.

- i) Computer Software:- Six Years
- ii) Eye Tracking (Classified under Plant & Equipments):- Five Years

#### **In case of Subsidiary Company (Emtee Research and Consultants Private Limited)**

The Company has provided for depreciation on fixed assets using written down value (WDV) over the useful life of the assets as prescribed in Schedule II to the companies Act, 2013. Intangible assets consist of Android Application is amortized over its estimated useful life of four years on a straight line basis. Depreciation and amortisation on asset acquired / sold during the year is provided on pro-rata basis with reference to the date of installation / put to use in the books or disposal.

#### **D. Valuation of Inventories:**

There are no inventories as the company is into service sector.

#### **E. Foreign Currency Transactions**

**Initial Recognition:** Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

**Conversion:** At the year end, monetary items denominated in foreign currencies other than those covered by forward contracts are converted into rupee equivalents at the year-end exchange rates.

**Exchange Differences:** All exchange differences arising on settlement/conversion of foreign currency transactions are recognized in the statement of profit and loss.

#### **F. Revenue Recognition:**

Revenue is primarily derived from market research and related services. Revenue is recognized on completion of service to be rendered to the customer. Revenue from partly complete contracts is recognized on percentage of completion method except when there is uncertainty as to measurement or ultimate collectability then revenue recognition is postponed until such uncertainty is resolved.

#### **G. Earnings Per Share**

Basic earning per share is computed by dividing the net profit after tax for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

#### **H. Taxation & Deferred Tax**

Provision for Current Tax is made in accordance with the provision of Income Tax Act, 1961. Deferred tax is recognized on timing differences between taxable & accounting income / expenditure that originates in one period and are capable of reversal in one or more subsequent period(s).

#### **I. Contingent Liabilities / Provisions**

Contingent liabilities are not provided in the accounts and are disclosed separately if applicable in notes to accounts.

#### **J. Impairment Of Assets**

The company assesses at each balance sheet date whether there is any indication due to external factors that an asset or group of assets comprising a cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the CGU, to which the asset belongs is less than the carrying amount of the asset or the CGU as the case may be, the carrying amount is reduced to its recoverable amount and the reduction is treated as impairment loss and is recognized in the statement of profit and loss. If at any subsequent balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re assessed and the



asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the statement of profit and loss.

**K. Investments**

Long term investments are valued at cost with an appropriate provision for permanent diminution in value, if any. Investment that is readily realizable and is intended to be held for not more than one year is valued at lower of cost or realizable value.

**L. Share Issue Expenditure**

Expenses incurred in connection with issue of equity shares of parent company have been written off against securities premium received on issue of shares to public. The balance amount of expenses has been classified under other current assets and it will be written off over a period of five years equally starting from financial year ending on March 31, 2016. In case of subsidiary company and joint venture company preliminary expenditure in connection with Company Incorporation such as registration charges, stamp duty, etc will be written off over a period of five years equally starting from financial year ending on March 31, 2015.

**M. Employee Benefits**

**a) Short-term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the Statement of Profit & Loss in the period in which the employee renders the related services.

**(b) Long-term Employee Benefits**

(i) Defined Contribution Plan

The Company deposits the contributions for provident fund to the appropriate Government authorities and these contributions are recognized in the Statement of Profit and Loss in the financial year to which they relate.

(ii) Defined Benefit Plan

The Company's gratuity scheme is a defined benefit plan. The present value of The obligation under such defined plan is determined based on actuarial valuation carried by an independent actuary, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final Obligation. The obligation is wholly unfunded and same is measured at the present value of the estimated future cash flow. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

**ANNEXURE – IV (B)**

**NOTES ON RECONCILIATION OF RESTATED PROFITS**

**(Rs. In lakhs)**

| Adjustments for   | For the period ended June 30, 2016 | 2015-16 | 2014-15 |
|---|------------------------------------|---------|---------|
| Net profit/(loss) after tax as per audited statement of profit and loss account | 75.40                              | 187.95  | 51.94   |
|   |                                    |         |         |



| Adjustments for                                 | For the period ended June 30, 2016 | 2015-16       | 2014-15      |
|---|------------------------------------|---------------|--------------|
| <b>Adjustments for:</b>                         |                                    |               |              |
| Provision for Gratuity                          | 8.15                               | (4.70)        | (1.96)       |
| Provision for Tax                               | 1.77                               | (1.78)        | -            |
| Provision for deferred tax asset / liability    | 1.55                               | 0.95          | 0.48         |
| <b>Net profit/ (loss) after tax as restated</b> | <b>83.77</b>                       | <b>182.42</b> | <b>50.46</b> |

**Explanatory notes to the above restatements made in the consolidated audited financial statements of the company for the respective years.**

**Adjustments having impact on profit/(loss) for the year**

**1. Provision for Gratuity** - Company had provided provision for gratuity in the financials for the period ended on June 30, 2016 for the period relating to financial year ended March 31, 2013 to March 31, 2016. However for the purpose of restatement of financial statements the said provisions including tax/deferred tax impact thereof, wherever required have been appropriately adjusted in the respective years to which it relates. The Provision amount has been taken as per Certified Actuarial Report.

**2. Provision for Tax**– In the year 2012-13, Company had made Excess provision for tax by Rs. 440 whereas in the year 2015-16, Company had provided for tax provision @ 32.445% (Considering Surcharge @ 5%) instead of 33.063% (Incl. Surcharge @ 7%) and the company had provided effect of same in the financial year 2016-17 (i.e April to June 2016). However For the purpose of restatement of financial statements the said adjustments have been appropriately adjusted in the respective years to which it relates.

**Adjustments having no impact on Profit**

***Material Regrouping***

W.e.f, April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Company for preparation and presentation of its financial statements. Revised Schedule VI notified under the Companies Act, 1956 became applicable to the Company from April 1, 2011, for preparation and presentation of its financial statements. The adoption of Schedule III / Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements.

There is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI. Appropriate adjustments have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

**ANNEXURE-V: CONSOLIDATED DETAILS OF SHARE CAPITAL AS RESTATED**

**Rs in Lakhs**

| Particulars                   | As at June 30, 2016 | As at |      |
|-------------------------------|---------------------|-------|------|
|                               |                     | 2016  | 2015 |
| <b>EQUITY SHARE CAPITAL :</b> |                     |       |      |
| <b>AUTHORISED:</b>            |                     |       |      |



|  |                 |                 |               |
|--|-----------------|-----------------|---------------|
| Equity Shares of Rs. 10/- each                                   | 1,500.00        | 1,500.00        | 450.00        |
| <b>Total</b>   | <b>1,500.00</b> | <b>1,500.00</b> | <b>450.00</b> |
| <b>ISSUED, SUBSCRIBED AND PAID UP</b>                            |                 |                 |               |
| Equity Shares of Rs. 10/- each issued, subscribed and fully paid | 412.20          | 412.20          | 300.20        |
| <b>Total</b>   | <b>412.20</b>   | <b>412.20</b>   | <b>300.20</b> |

| Reconciliation of number of shares outstanding at the end of the year: | As at June 30, 2016 | As at March 31, 2016 | As at March 31, 2015 |
|--|---------------------|----------------------|----------------------|
| Equity Shares at the beginning of the year                             | 41,22,000           | 30,02,000            | 30,02,000            |
| Add: Shares issued during the year                                     | -                   | 11,20,000            | -                    |
| <b>TOTAL</b>   | <b>41,22,000</b>    | <b>41,22,000</b>     | <b>30,02,000</b>     |

**Details of Shareholders holding more than 5% of the aggregate shares of the company:**

| Name of Shareholders                                | As at June 30, 2016 |              | As at March 31, 2016 |              | As at March 31, 2015 |              |
|---|---------------------|--------------|----------------------|--------------|----------------------|--------------|
|   | No. of Shares Held  | % of Holding | No. of Shares Held   | % of Holding | No. of Shares Held   | % of Holding |
| Majestic Market Research Support & Services Limited | 2,087,500           | 50.64%       | 2,087,500            | 50.64%       | 2,087,500            | 69.54%       |
| Rajendra Kumar Sharma                               | 914,495             | 22.19%       | 914,495              | 22.19%       | 914,495              | 30.46%       |

**ANNEXURE VI: CONSOLIDATED DETAILS OF RESERVES AND SURPLUS AS RESTATED**

Rs in Lakhs

| Particulars  | As at June 30, 2016 | As at         |              |
|--|---------------------|---------------|--------------|
|  |                     | 2016          | 2015         |
| <b>PROFIT &amp; LOSS ACCOUNT</b>                         |                     |               |              |
| Opening Balance  | 246.34              | 63.92         | 13.47        |
| Add: Net Profit / (Loss) after Tax for the year / period | 83.78               | 182.42        | 50.45        |
| Less: Adjustments relating to Fixed Assets               |                     |               |              |
| <b>Closing Balance</b>                                   | <b>330.12</b>       | <b>246.34</b> | <b>63.92</b> |
| <b>Securities Premium</b>                                |                     |               |              |
| Opening Balance  | -                   | -             | -            |
| Add: Shares issued during the year                       | -                   | 30.80         | -            |
| Less: Share Issue Expenses written off                   | -                   | (30.80)       | -            |
| <b>Closing Balance</b>                                   | <b>-</b>            | <b>-</b>      | <b>-</b>     |
| <b>TOTAL</b>   | <b>330.12</b>       | <b>246.34</b> | <b>63.92</b> |

**ANNEXURE VII: CONSOLIDATED DETAILS OF LONG TERM BORROWINGS AS RESTATED**

Rs in Lakhs

| Particulars  | As at June 30, 2016 | As at    |          |
|--------------|---------------------|----------|----------|
|              |                     | 2016     | 2015     |
| Loan         |                     | -        | -        |
| <b>TOTAL</b> |                     | <b>-</b> | <b>-</b> |



**ANNEXURE VIII: CONSOLIDATED DETAILS OF DEFERRED TAX ASSET/(LIABILITY)  
AS RESTATED**

**Rs in Lakhs**

| Particulars   | As at June 30, 2016 | As at       |             |
|---|---------------------|-------------|-------------|
|   |                     | 2016        | 2015        |
| <b>Deferred Tax Liability</b>                                 |                     |             |             |
| Related to WDV of Fixed Assets                                |                     | -           | -           |
| <b>Deferred Tax Asset</b>                                     |                     | -           | -           |
| Related to WDV of Fixed Assets                                | 6.36                | 7.36        | 4.78        |
| Related to expenses disallowed in Income Tax                  | 0.32                | 1.56        | 0.61        |
| <b>Deferred Tax Asset/(Liability) (net) after adjustments</b> | <b>6.68</b>         | <b>8.92</b> | <b>5.39</b> |

**ANNEXURE IX: CONSOLIDATED DETAILS OF LONG TERM PROVISIONS AS RESTATED**

**Rs in Lakhs**

| Particulars            | As at June 30, 2016 | As at       |             |
|------------------------|---------------------|-------------|-------------|
|                        |                     | 2016        | 2015        |
| Provision for Gratuity | 9.02                | 8.00        | 3.39        |
| <b>TOTAL</b>           | <b>9.02</b>         | <b>8.00</b> | <b>3.39</b> |

**ANNEXURE X: CONSOLIDATED DETAILS OF SHORT TERM BORROWING AS RESTATED**

**Rs in Lakhs**

| Particulars           | As at June 30, 2016 | As at        |               |
|-----------------------|---------------------|--------------|---------------|
|                       |                     | 2016         | 2015          |
| <b>Secured</b>        |                     |              |               |
| -From Banks           | 96.79               | 69.75        | 98.43         |
| -From Others          | -                   | -            | -             |
| <b>Unsecured</b>      |                     |              |               |
| -From Related Parties | -                   | 1.14         | 3.18          |
| -From Others          | 3.27                | 4.27         | 22.22         |
| <b>TOTAL</b>          | <b>100.06</b>       | <b>75.16</b> | <b>123.83</b> |

**ANNEXURE XI: CONSOLIDATED DETAILS OF TRADE PAYABLES AS RESTATED**

**Rs in Lakhs**

| Particulars                                | As at June 30, 2016 | As at        |             |
|--|---------------------|--------------|-------------|
|  |                     | 2016         | 2015        |
| Due to Micro, Small and Medium Enterprises | -                   | -            | -           |
| Others                                     | 31.71               | 19.72        | 8.34        |
| <b>TOTAL</b>                               | <b>31.79</b>        | <b>19.72</b> | <b>8.34</b> |



**ANNEXURE XII: CONSOLIDATED DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**

**Rs in Lakhs**

| <b>Particulars</b>          | <b>As at<br/>June 30,<br/>2016</b> | <b>As at</b>  |              |
|-----------------------------|------------------------------------|---------------|--------------|
|                             |                                    | <b>2016</b>   | <b>2015</b>  |
| Statutory Dues Payable      | 108.14                             | 74.83         | 29.06        |
| Creditors for Capital Goods | 21.16                              | 22.84         | 1.95         |
| Creditors for Expenses      | 32.82                              | 23.65         | 14.80        |
| <b>TOTAL</b>                | <b>162.12</b>                      | <b>121.32</b> | <b>45.81</b> |

**ANNEXURE XIII: CONSOLIDATED DETAILS OF SHORT TERM PROVISIONS AS RESTATED**

**Rs in Lakhs**

| <b>Particulars</b>                              | <b>As at June<br/>30, 2016</b> | <b>As at</b> |             |
|---|--------------------------------|--------------|-------------|
|   |                                | <b>2016</b>  | <b>2015</b> |
| Income Tax Provision (Net of Advance Tax & TDS) | 79.96                          | 69.91        | 8.57        |
| Provision for Gratuity                          | 0.17                           | 0.15         | 0.06        |
| <b>TOTAL</b>                                    | <b>80.13</b>                   | <b>70.06</b> | <b>8.63</b> |





**ANNEXURE XIV: CONSOLIDATED DETAILS OF FIXED ASSETS AS RESTATED**

**Rs in Lakhs**

| <b>FIXED ASSETS</b>         | <b>GROSS BLOCK</b>          |                       |                             |                             | <b>DEPRECIATION</b>             |                         |   |                            | <b>NET BLOCK</b>            |                             |
|-----------------------------|-----------------------------|-----------------------|-----------------------------|-----------------------------|---------------------------------|-------------------------|---|----------------------------|-----------------------------|-----------------------------|
|                             | <b>AS AT<br/>01.04.2014</b> | <b>ADDITIO<br/>NS</b> | <b>DEDU<br/>CTION<br/>S</b> | <b>AS AT<br/>31.03.2015</b> | <b>UPTO<br/>01.04.201<br/>4</b> | <b>FOR THE<br/>YEAR</b> | <b>DEDUC<br/>TIONS /<br/>ADJUST<br/>MENTS</b> | <b>UPTO<br/>31.03.2015</b> | <b>AS AT<br/>31.03.2015</b> | <b>AS AT<br/>31.03.2014</b> |
| <b>Tangible Assets</b>      |                             |                       |                             |                             |                                 |                         |   |                            |                             |                             |
| Aquaguard                   | 0.02                        | -                     | -                           | 0.02                        | -                               | 0.01                    | -   | 0.01                       | 0.01                        | 0.02                        |
| Mobile Telephone            | 0.41                        | 0.06                  | -                           | 0.47                        | 0.08                            | 0.31                    | -   | 0.39                       | 0.08                        | 0.33                        |
| Furniture                   | 6.39                        | 3.75                  | -                           | 10.14                       | 0.08                            | 5.42                    | -   | 5.50                       | 4.64                        | 6.31                        |
| Computer Systems            | 1.52                        | 3.94                  | -                           | 5.46                        | 0.30                            | 3.78                    | -   | 4.08                       | 1.38                        | 1.22                        |
| Air Conditioner             | -                           | 1.15                  | -                           | 1.15                        | -                               | 1.03                    | -   | 1.03                       | 0.12                        | -                           |
| Camera                      | -                           | 0.21                  | -                           | 0.21                        | -                               | 0.15                    | -   | 0.15                       | 0.06                        | -                           |
| Eye Tracker                 | -                           | 20.50                 | -                           | 20.50                       | -                               | 11.15                   | -   | 11.15                      | 9.35                        | -                           |
| Television                  | -                           | 0.33                  | -                           | 0.33                        | -                               | 0.28                    | -   | 0.28                       | 0.05                        | -                           |
| <b>Total</b>                | <b>8.34</b>                 | <b>29.94</b>          | <b>-</b>                    | <b>38.28</b>                | <b>0.46</b>                     | <b>22.13</b>            | <b>-</b>                                      | <b>22.59</b>               | <b>15.69</b>                | <b>7.88</b>                 |
| <b>Intangible Assets</b>    |                             |                       |                             |                             |                                 |                         |   |                            |                             |                             |
| Computer Software           | 10.05                       | -                     | -                           | 10.05                       | 3.76                            | 5.84                    | -   | 9.60                       | 0.45                        | 6.29                        |
| Mobile Application Software | -                           | 1.97                  | -                           | 1.97                        | -                               | 0.03                    | -   | 0.03                       | 1.94                        | -                           |
| <b>Total</b>                | <b>10.05</b>                | <b>1.97</b>           | <b>-</b>                    | <b>12.02</b>                | <b>3.76</b>                     | <b>5.87</b>             | <b>-</b>                                      | <b>9.63</b>                | <b>2.39</b>                 | <b>6.29</b>                 |
| <b>Grand Total</b>          | <b>18.39</b>                | <b>31.91</b>          | <b>-</b>                    | <b>50.30</b>                | <b>4.22</b>                     | <b>28.00</b>            | <b>-</b>                                      | <b>32.22</b>               | <b>18.08</b>                | <b>14.17</b>                |
| <b>Previous Year Total</b>  | <b>-</b>                    | <b>-</b>              | <b>-</b>                    | <b>-</b>                    | <b>-</b>                        | <b>-</b>                | <b>-</b>                                      | <b>-</b>                   | <b>-</b>                    | <b>-</b>                    |



| FIXED ASSETS                | GROSS BLOCK         |               |                |                     | DEPRECIATION       |                    |                                     | NET BLOCK          |                     |                     |
|-----------------------------|---------------------|---------------|----------------|---------------------|--------------------|--------------------|-------------------------------------|--------------------|---------------------|---------------------|
|                             | AS AT<br>01.04.2015 | ADDITIO<br>NS | DEDUCTI<br>ONS | AS AT<br>31.03.2015 | UPTO<br>01.04.2015 | FOR<br>THE<br>YEAR | DEDUCTIO<br>NS /<br>ADJUSTME<br>NTS | UPTO<br>31.03.2016 | AS AT<br>31.03.2016 | AS AT<br>31.03.2015 |
| <b>Tangible Assets</b>      |                     |               |                |                     |                    |                    |                                     |                    |                     |                     |
| Aquaguard                   | 0.02                | -             | -              | 0.02                | 0.01               | -                  | -                                   | 0.01               | 0.01                | -                   |
| Mobile Telephone            | 0.47                | 0.18          | -              | 0.65                | 0.39               | 0.19               | -                                   | 0.58               | 0.07                | 0.08                |
| Furniture                   | 10.14               | 0.39          | -              | 10.53               | 5.50               | 3.45               | -                                   | 8.95               | 1.58                | 4.64                |
| Computer Systems            | 5.46                | 4.88          | -              | 10.34               | 4.08               | 4.03               | -                                   | 8.11               | 2.23                | 1.38                |
| Air Conditioner             | 1.15                | -             | -              | 1.15                | 1.03               | 0.11               | -                                   | 1.14               | 0.01                | 0.12                |
| Camera                      | 0.21                | -             | -              | 0.21                | 0.15               | 0.05               | -                                   | 0.20               | 0.01                | 0.06                |
| Eye Tracker                 | 20.50               | 21.16         | -              | 41.66               | 11.15              | 9.68               | -                                   | 20.83              | 20.83               | 9.35                |
| Television                  | 0.33                | -             | -              | 0.33                | 0.28               | 0.04               | -                                   | 0.32               | 0.01                | 0.05                |
| <b>Total</b>                | <b>38.28</b>        | <b>26.61</b>  | <b>-</b>       | <b>64.89</b>        | <b>22.59</b>       | <b>17.55</b>       | <b>-</b>                            | <b>40.14</b>       | <b>24.75</b>        | <b>15.68</b>        |
| <b>Intangible Assets</b>    |                     |               |                |                     |                    |                    |                                     |                    |                     |                     |
| Computer Software           | 10.05               | 0.48          | -              | 10.53               | 9.60               | 0.76               | -                                   | 10.36              | 0.17                | 0.45                |
| Mobile Application Software | 1.97                | -             | -              | 1.97                | 0.03               | 0.49               | -                                   | 0.52               | 1.45                | 1.94                |
| Goodwill (AS-21)            | -                   | 0.37          | -              | 0.37                | -                  | -                  | -                                   | -                  | 0.37                | -                   |
| <b>Total</b>                | <b>12.02</b>        | <b>0.85</b>   | <b>-</b>       | <b>12.87</b>        | <b>9.63</b>        | <b>1.25</b>        | <b>-</b>                            | <b>10.88</b>       | <b>1.99</b>         | <b>2.39</b>         |
| <b>Grand Total</b>          | <b>50.30</b>        | <b>27.46</b>  | <b>-</b>       | <b>77.76</b>        | <b>32.22</b>       | <b>18.80</b>       | <b>-</b>                            | <b>51.02</b>       | <b>26.74</b>        | <b>18.07</b>        |
| <b>Previous Year Total</b>  | <b>-</b>            | <b>-</b>      | <b>-</b>       | <b>-</b>            | <b>-</b>           | <b>-</b>           | <b>-</b>                            | <b>-</b>           | <b>-</b>            | <b>-</b>            |



| FIXED ASSETS                | GROSS BLOCK         |               |                |                     | DEPRECIATION       |                    |                                     |                    | NET BLOCK           |                     |
|-----------------------------|---------------------|---------------|----------------|---------------------|--------------------|--------------------|-------------------------------------|--------------------|---------------------|---------------------|
|                             | AS AT<br>01.04.2016 | ADDITIO<br>NS | DEDUCTI<br>ONS | AS AT<br>30.06.2016 | UPTO<br>01.04.2016 | FOR<br>THE<br>YEAR | DEDUCTIO<br>NS /<br>ADJUSTME<br>NTS | UPTO<br>30.06.2016 | AS AT<br>30.06.2016 | AS AT<br>31.03.2016 |
| <b>Tangible Assets</b>      |                     |               |                |                     |                    |                    |                                     |                    |                     |                     |
| Aquaguard                   | 0.02                | -             | -              | 0.02                | 0.01               | -                  | -                                   | 0.01               | 0.01                | -                   |
| Mobile Telephone            | 0.65                | -             | -              | 0.65                | 0.58               | 0.01               |                                     | 0.59               | 0.06                | 0.06                |
| Furniture                   | 10.53               | 0.35          | -              | 10.88               | 8.95               | 0.30               | -                                   | 9.25               | 1.63                | 1.57                |
| Computer Systems            | 10.34               | -             | 0.63           | 9.71                | 8.11               | 0.53               | 0.62                                | 8.02               | 1.69                | 2.23                |
| Air Conditioner             | 1.15                | -             | -              | 1.15                | 1.14               | -                  | -                                   | 1.14               | 0.01                | 0.01                |
| Camera                      | 0.21                | -             | -              | 0.21                | 0.20               | -                  |                                     | 0.20               | 0.01                | 0.01                |
| Eye Tracker                 | 41.66               | -             | -              | 41.66               | 20.83              | 4.87               | -                                   | 25.70              | 15.96               | 20.83               |
| Television                  | 0.33                | -             | -              | 0.33                | 0.32               | -                  |                                     | 0.32               | 0.01                | 0.01                |
| <b>Total</b>                | 64.89               | 0.35          | 0.63           | 64.61               | 40.14              | 5.71               | 0.62                                | 45.23              | 19.38               | 24.72               |
| <b>Intangible Assets</b>    |                     |               |                |                     |                    |                    |                                     |                    |                     |                     |
| Computer Software           | 10.53               | -             | -              | 10.53               | 10.36              | 0.04               | -                                   | 10.40              | 0.13                | 0.18                |
| Mobile Application Software | 1.97                | -             | 1.97           | -                   | 0.52               | -                  | 0.52                                | -                  | -                   | 1.45                |
| Goodwill (AS-21)            | 0.37                | -             | -              | 0.37                | -                  | -                  | -                                   | -                  | 0.37                | 0.37                |
| <b>Total</b>                |                     |               | 1.97           |                     |                    |                    | 0.52                                |                    |                     |                     |



| <b>FIXED ASSETS</b> | <b>GROSS BLOCK</b>               |                       |                        |                             | <b>DEPRECIATION</b>             |                             |   |                                 | <b>NET BLOCK</b>                 |                                  |
|---------------------|----------------------------------|-----------------------|------------------------|-----------------------------|---------------------------------|-----------------------------|---|---------------------------------|----------------------------------|----------------------------------|
|                     | <b>AS AT<br/>01.04.201<br/>6</b> | <b>ADDITIO<br/>NS</b> | <b>DEDUCTI<br/>ONS</b> | <b>AS AT<br/>30.06.2016</b> | <b>UPTO<br/>01.04.201<br/>6</b> | <b>FOR<br/>THE<br/>YEAR</b> | <b>DEDUCTIO<br/>NS /<br/>ADJUSTME<br/>NTS</b> | <b>UPTO<br/>30.06.20<br/>16</b> | <b>AS AT<br/>30.06.20<br/>16</b> | <b>AS AT<br/>31.03.20<br/>16</b> |
|                     | 12.87                            | -                     |                        | 10.90                       | 10.88                           | 0.04                        |   | 10.40                           | 0.50                             | 2.00                             |
| <b>Grand Total</b>  | <b>77.76</b>                     | <b>0.35</b>           | <b>2.60</b>            | <b>75.51</b>                | <b>51.02</b>                    | <b>5.75</b>                 | <b>1.14</b>                                   | <b>55.63</b>                    | <b>19.88</b>                     | <b>26.72</b>                     |



**ANNEXURE XV: CONSOLIDATED DETAILS OF LONG TERM LOAN AND ADVANCES AS RESTATED**

Rs in Lakhs

| Particulars                      | As at<br>June 30,<br>2016 | As at        |              |
|----------------------------------|---------------------------|--------------|--------------|
|                                  |                           | 2016         | 2015         |
| Security Deposit                 | 15.01                     | 15.01        | 11.60        |
| Deposit with Revenue Authorities | -                         | -            | -            |
| Capital Advances                 | -                         | -            | -            |
| <b>TOTAL</b>                     | <b>15.01</b>              | <b>15.01</b> | <b>11.60</b> |

**ANNEXURE XVI: CONSOLIDATED DETAILS OF TRADE RECEIVABLES AS RESTATED**

Rs in Lakhs

| Particulars   | As at<br>June 30,<br>2016 | As at         |               |
|---|---------------------------|---------------|---------------|
|   |                           | 2016          | 2015          |
| <b>Unsecured, considered goods</b>  |                           |               |               |
| - Other Debts   |                           | -             | -             |
| From Directors/ Promoter/ Promoter Group/Relatives of Directors and Group Companies | 11.72                     | 8.59          | -             |
| From others   | 609.04                    | 529.81        | 365.07        |
|   |                           |               |               |
| -Outstanding for more than Six Months   |                           |               |               |
| From Directors/ Promoter/ Promoter Group/Relatives of Directors and Group Companies | -                         | -             | -             |
| From others   | 251.62                    | 83.06         | 103.27        |
| <b>TOTAL</b>  | <b>872.38</b>             | <b>621.46</b> | <b>468.34</b> |

**ANNEXURE XVII: CONSOLIDATED DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED**

Rs in Lakhs

| Particulars                  | As at<br>June 30,<br>2016 | As at        |             |
|------------------------------|---------------------------|--------------|-------------|
|                              |                           | 2016         | 2015        |
| Cash In Hand                 | 0.78                      | 0.85         | 0.40        |
| Balance with Scheduled Banks | 15.93                     | 64.21        | 5.00        |
| <b>TOTAL</b>                 | <b>16.71</b>              | <b>65.06</b> | <b>5.40</b> |

**ANNEXURE XVIII: CONSOLIDATED DETAILS OF SHORT TERM LOAN AND ADVANCES AS RESTATED**

Rs in Lakhs

| Particulars | As at<br>June 30,<br>2016 | As at |      |
|-------------|---------------------------|-------|------|
|             |                           | 2016  | 2015 |



| Particulars   | As at<br>June 30,<br>2016 | As at         |              |
|---|---------------------------|---------------|--------------|
|   |                           | 2016          | 2015         |
| Advance for expenses  | 177.00                    | 176.49        | 23.88        |
| Advance to Directors/ Promoters/Promoter Group/ Associates/<br>Relatives of Directors/Group Companies | -                         | -             | -            |
| Advance to Others (Body Corporate)  | -                         | 21.42         | -            |
| <b>TOTAL</b>  | <b>177.00</b>             | <b>197.91</b> | <b>23.88</b> |

**ANNEXURE XIX: CONSOLIDATED DETAILS OF OTHER CURRENT ASSETS AS RESTATED**

Rs in Lakhs

| Particulars          | As at June<br>30, 2016 | As at        |              |
|----------------------|------------------------|--------------|--------------|
|                      |                        | 2016         | 2015         |
| Prepaid expenses     | 5.98                   | 5.98         | 0.08         |
| Share Issue Expenses | 11.64                  | 11.64        | 0.23         |
| Preliminary Expenses | 0.08                   | 0.08         | 21.05        |
| <b>TOTAL</b>         | <b>17.70</b>           | <b>17.70</b> | <b>21.36</b> |

**ANNEXURE XX: CONSOLIDATED DETAILS OF REVENUE FROM OPERATIONS AS RESTATED**

Rs in Lakhs

| Particulars  | As at June<br>30, 2016 | As at           |               |
|--|------------------------|-----------------|---------------|
|  |                        | 2016            | 2015          |
| Sales of Manufactured Goods                                | -                      | -               | -             |
| Sales of Traded Goods                                      | -                      | -               | -             |
| Sales of Services  | 436.54                 | 1,116.61        | 552.81        |
| Turnover in respect of products not normally<br>dealt with | -                      | -               | -             |
| <b>TOTAL</b>   | <b>436.54</b>          | <b>1,116.61</b> | <b>552.81</b> |

**ANNEXURE XXI: CONSOLIDATED DETAILS OF OTHER INCOME AS RESTATED**

Rs in Lakhs

| Particulars                          | For the period<br>ended June 30,<br>2016 | For the year ended |              | Nature |
|--------------------------------------|--|--------------------|--------------|--------|
|                                      |  | 2016               | 2015         |        |
| Other income                         | 5.09                                     | 14.64              | -            |        |
| Net Profit Before Tax as<br>Restated | 128.36                                   | 274.65             | 73.99        |        |
| <b>Percentage</b>                    | <b>3.97%</b>                             | <b>5.33%</b>       | <b>0.00%</b> |        |

**Source of Income**

Rs in Lakhs

| Particulars                      | For the<br>period<br>ended<br>June 30,<br>2016 | For the year ended March 31, |      |      |      | Nature                                       |
|----------------------------------|--|------------------------------|------|------|------|--|
|                                  |  | 2016                         | 2015 | 2014 | 2013 |  |
| Interest on Income<br>Tax Refund | -  | 0.17                         | -    | -    | -    | Non Recurring and not<br>related to business |



| Particulars                       | For the period ended June 30, 2016 | For the year ended March 31, |          |          |          | Nature  |
|-----------------------------------|------------------------------------|------------------------------|----------|----------|----------|---|
|                                   |                                    | 2016                         | 2015     | 2014     | 2013     |   |
|                                   |                                    |                              |          |          |          | activity.   |
| Foreign Exchange Fluctuation Gain | 3.62                               | 12.70                        | -        | -        | -        | Non Recurring and not related to business activity. |
| Profit on Sale of Fixed Assets    | 1.13                               | -                            | -        | -        | -        | Non Recurring and not related to business activity. |
| Interest on Fixed Deposit         | 0.03                               | -                            | -        | -        | -        | Non Recurring and not related to business activity. |
| Interest on Loan                  | 0.31                               | 1.67                         | -        | -        | -        | Non Recurring and not related to business activity. |
| <b>Total Other income</b>         | <b>5.09</b>                        | <b>14.54</b>                 | <b>-</b> | <b>-</b> | <b>-</b> |   |





**ANNEXURE XXII: CONSOLIDATED DETAILS OF RELATED PARTY TRANSACTION AS RESTATED**

**Rs in Lakhs**

| Particulars                               | Nature of Relationship         | Nature of Transaction        | Amount of transaction during the period ended June 30, 2016 | Amount outstanding as on June 30, 2016 (Payable)/ Receivable | Amount of transaction during the period March 31, 2016 | Amount outstanding as on March 31, 2016 (Payable)/ Receivable | Amount of transaction during the period year March 31, 2015 | Amount outstanding as on March 31, 2015 (Payable)/ Receivable |
|---|--------------------------------|------------------------------|---|--|--|---|---|---|
| MMRSS Ltd.                                | Parent Company                 | Sales                        | 14.40   | 11.72  | 29.96  | 8.59  | -   | (1.84)  |
|   |                                | Loan Received                | -   |  | 91.86  |   | 69.44   |   |
|   |                                | Loan Repaid                  | -   |  | 91.86  |   | 67.60   |   |
| Focus Suites Solutions & Services Pvt Ltd | Group Company                  | Loan taken                   | -   | -  | -  | -   | 4.65  | -   |
|   |                                | Loan Repaid                  | -   | -  | -  | -   | 0.27  | -   |
| Sandip Bhatia*                            | Director                       | Loan Received                | -   | -  | -  | -   | 2.10  | -   |
|   |                                | Loan Repaid                  | -   | -  | -  | -   | 2.10  | -   |
|   |                                | Salary                       | -   | -  | -  | -   | 2.10  | -   |
| Saran Panchal                             | Managing Director              | Remuneration                 | 14.12   | (3.50)   | 37.65  | -   | 46.40   | (3.50)  |
| Rajendra Sharma                           | Whole Time Director            | Remuneration                 | 3.75  | (3.75)   | 19.43  | -   | 4.93  | -   |
|   |                                | Reimbursement of Expenses*** | -   | -  | 1.31   | -   | -   | -   |
| Mitti Jain**                              | Company Secretary              | Salary                       | -   | -  | -  | -   | 2.93  | -   |
| Rajesh Oberoi                             | Independent Director           | Sitting Fees                 | -   | -  | 0.30   | -   | -   | -   |
| Mukund Tripathi                           | Director of Subsidiary Company | Professional Fees            | 0.90  | -  | -  | (1.14)  | -   | (1.34)  |
|   |                                | Loan Received                | -   |  | -  |   | 1.34  |   |
|   |                                | Loan Repayment               | 1.14  |  | 0.20   |   | -   |   |
|   |                                | Project Expenses             | -   |  | 5.50   |   | -   |   |
| Sonali Gamne**                            | Company Secretary              | Salary                       | 0.93  | (0.31)   | 3.62   | (0.28)  | 0.44  | (0.31)  |



*\*Sandip Bhatia is one of the director in the above mentioned group companies and with effect from 23rd July, 2014 he had resigned from the position of directorship in Majestic Research Services and Solutions Limited.*

*\*\* Mitti Jain, Company Secretary of the company had resigned with effect from 20th February, 2015 and her place Company has appointed Sonali Gamne as company secretary.*

*\*\*\* Company has reimbursed staff welfare expenses of Rs. 1.31 Lakhs as incurred by Rajendra Kumar Sharma on behalf of the company*



**ANNEXURE XXIII: DETAILS OF ACCOUNTING RATIOS AS RESTATED**

(Rs In Lakhs, except per share data)

| Particulars   | For the period ended June 30, 2016 | For the year ended March 31, |               |
|---|------------------------------------|------------------------------|---------------|
|   |                                    | 2016                         | 2015          |
| Restated PAT as per P& L Account  | 83.77                              | 182.42                       | 50.46         |
| Weighted Average Number of Equity Shares at the end of the Year/Period* | 4,122,000                          | 3,803,749                    | 3,002,000     |
| Number of Equity Shares outstanding at the end of the Year/Period       | 4,122,000                          | 4,122,000                    | 3,002,000     |
| Net Worth   | 742.32                             | 658.54                       | 364.12        |
| <b>Earnings Per Share</b>   |                                    |                              |               |
| Basic & Diluted   | 2.03                               | 4.80                         | 1.68          |
| <b>Return on Net Worth (%)</b>  | <b>11.28%</b>                      | <b>27.70%</b>                | <b>13.86%</b> |
| <b>Net Asset Value Per Share (Rs)</b>                                   | <b>18.01</b>                       | <b>15.98</b>                 | <b>12.13</b>  |
| Nominal Value per Equity share (Rs.)                                    | 10.00                              | 10.00                        | 10.00         |

Ratios have been calculated as below

|   |  |
|---|--|
| 1. Basic and Diluted Earnings Per Share (EPS) (Rs.) | Restated Profit after Tax available to equity Shareholders               |
|   | Weighted Average Number of Equity Shares at the end of the year / period |
| 2. Return on Net Worth (%)                          | Restated Profit after Tax available to equity Shareholders               |
|   | Restated Net Worth of Equity Shareholders                                |
| 3. Net Asset Value per equity share (Rs.)           | Restated Net Worth of Equity Shareholders                                |
|   | Number of Equity Shares outstanding at the end of the year / period      |

**ANNEXURE XXIV- CONSOLIDATED CAPITALISATION STATEMENT AS AT JUNE 30, 2016**

Rs in Lakhs

| Particulars                                | Pre Issue     | Post Issue   |
|--|---------------|--------------|
| <b>Borrowings</b>                          |               |              |
| Short term debt (A)                        | 75.16         | 75.16        |
| Long Term Debt (B)                         | -             | -            |
| <b>Total debts (C)</b>                     | <b>75.16</b>  | <b>75.16</b> |
| <b>Shareholders' funds</b>                 |               |              |
| Equity share capital                       | 412.20        | Note         |
| Reserve and surplus - as restated          | 330.12        | Note         |
| <b>Total shareholders' funds</b>           | <b>742.32</b> | <b>Note</b>  |
| <b>Long term debt / shareholders funds</b> | -             | Note         |
| <b>Total debt / shareholders funds</b>     | 0.10          | Note         |

Note: The Post Issue Capitalisation Statement and shareholders funds, assuming that debt level of the company to be same as that of June 30, 2016, could not be calculated now as the issue is through book building and same would be finalised upon completion of issue.



## RECONCILIATION OF RESTATED PROFIT:

Rs in Lakhs

| Adjustments for  | For the period ended June 30, 2016 | 2015-16       | 2014-15      |
|--|------------------------------------|---------------|--------------|
| Net Profit/(Loss) after Tax as per Audited Profit & Loss Account | 75.40                              | 187.95        | 51.94        |
| <b>Adjustments for:</b>  |                                    |               |              |
| Provision for Gratuity   | 8.15                               | (4.70)        | (1.96)       |
| Provision for Tax  | 1.77                               | (1.78)        | -            |
| Provision for deferred tax asset / liability                     | (1.55)                             | 0.95          | 0.48         |
| <b>Net Profit/ (Loss) After Tax as Restated</b>                  | <b>83.77</b>                       | <b>182.42</b> | <b>50.46</b> |

### Notes

#### 1. Provision for Gratuity

Company had provided provision for gratuity in the financials for the period ended on June 30, 2016 for the period relating to financial year ended March 31, 2013 to March 31, 2016. However For the purpose of restatement of financial statements the said provisions including tax/deferred tax impact thereof, wherever required have been appropriately adjusted in the respective years to which it relates. The Provision amount has been taken as per Certified Actuarial Report.

#### 2. Provision for Tax

In the year 2012-13, Company had made Excess provision for tax by Rs. 440 whereas in the year 2015-16, Company had provided for tax provision @ 32.445% (Considering Surcharge @ 5%) instead of 33.063% (Incl. Surcharge @ 7%) and the company had provided effect of same in the financial year 2016-17 (i.e April to June 2016). However For the purpose of restatement of financial statements the said adjustments have been appropriately adjusted in the respective years to which it relates.



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our restated standalone financial statements and the restated consolidated financial statements for financial year ended 2016, 2015, 2014 and for the period ended June 30, 2016 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexures and notes thereto and the respective auditors reports thereon, included in the section titled "*Financial Statements*" on page 184 of this Red Herring Prospectus.

Indian GAAP differs in certain material aspects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Red Herring Prospectus, nor do we provide reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and SEBI (ICDR) Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "*Risk Factors*" and "*Forward-Looking Statements*" on pages 19 and 18, of this Red Herring Prospectus beginning respectively.

The Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for the financial years ended March 31, 2016, 2015, 2014 and for the period ended June 30, 2016.

### OVERVIEW

Our Company was originally incorporated as "Majestic Research Services and Solutions Private Limited" at Bengaluru, Karnataka, as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated May 2, 2012 bearing registration number 063818 issued by Registrar of Companies, Karnataka, Bengaluru. Subsequently, our Company was converted in to a public limited company pursuant to Special Resolution passed by the Company at its Extra Ordinary General Meeting held on July 10, 2014 and fresh certificate of incorporation dated August 11, 2014 was issued and the name of our Company was changed to 'Majestic Research Services and Solutions Limited'. Further our Company came out with Initial Public Offer in the year 2015 and got listed to SME exchange of BSE Ltd. on July 16, 2015. The corporate identity number of our Company is L72200KA2012PLC063818.

Our Company is the subsidiary of Majestic Market Research Support Services Limited also referred hereinafter as the "Parent Company

Based on our long term effective partnership with our clients; providing actionable insights and assist them in making better strategic decisions for their marketing initiatives; helping our clients to be more successful. Our Company got listed on SME exchange of BSE Ltd. on July 16, 2015 and recently completed one year of going public.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

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



## SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factor” beginning on page 19 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Evolving clients requirements;
- Regulations affecting market research industry;
- Ability to manage human resource, working capital and logistics;
- Inability to upgrade latest technological available in market;
- Changes, if any, in the regulations / regulatory framework / economic policies in India;
- Our inability to compete effectively in the present market may lead to lower market share or reduced operating margins;
- Delays or defaults in client payments could result in a reduction of our profits;
- Agreements such as lease / rent agreements for properties not owned by the Company may cause disruption in the operations;

Increase in employee costs may have a material adverse impact on our results of operations.

## DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited consolidated and standalone financial results of our Company for period ended on March 31, 2016, 2015, 2014 and three months ended June 2016. For the comparison of the financials for the year ended 2015 and 2016 we have taken the audited restated consolidated accounts and for the year ended 2014 we have taken audited standalone restated accounts. Any change in the figures are due to regrouping and adjustments in the consolidated account.

### OVERVIEW OF REVENUE & EXPENDITURE

#### Revenues

##### *Income from operations:*

Our principal component of revenue from operations is from sale of services.

##### *Other Income:*

As our Company started exporting services so there aroused gain on foreign exchange transactions thus our other income includes significant income from foreign exchange gains.

*Amount (Rs. In Lakhs)*

| Particulars             | For the period ended June 30, 2016 | Till March 31, |               |               |
|-------------------------|------------------------------------|----------------|---------------|---------------|
|                         |                                    | 2016           | 2015          | 2014          |
| <b>Income</b>           |                                    |                |               |               |
| Revenue from Operations | 436.54                             | 1116.61        | 552.81        | 226.03        |
| As a % of Total Revenue | 98.85                              | 98.70          | 100.00        | 100.00        |
| Other Income            | 5.09                               | 14.54          | -             | -             |
| As a % of Total Revenue | 1.15                               | 1.29           | -             | -             |
| <b>Total Revenue</b>    | <b>441.63</b>                      | <b>1131.15</b> | <b>552.81</b> | <b>226.03</b> |



### ***Expenditure***

Our total expenditure primarily consists of Direct Expenses, employee benefit expenses, finance cost, depreciation and amortisation expenses and other expenses.

### ***Direct Expenses***

Our Direct Expenses includes project cost expenses.

### ***Employee Benefits Expenses***

Our employee benefits cost primarily consists of salaries and wages, director's remuneration, contribution to ESIC and other funds and staff welfare expenses.

### ***Finance Cost***

Our financial cost includes bank interest, bank charges and interest paid to others.

### ***Depreciation and Amortisation Expenses***

Depreciation and amortisation expenses include depreciation on tangible and intangible assets, share issue expenses and preliminary expenses written off.

### ***Other Expenses***

Other expenses include expenses like insurance expenses, legal & professional charges, freight expenses, foreign exchange hedging loss/gain, administration expenses, office expenses, designing rent, electricity, miscellaneous expenses, etc.

### ***Statement of profits and loss***

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited consolidated and standalone restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue:

*Amount (Rs. In Lakhs)*

| <b>Particulars</b>        | <b>For the Period ended June 30, 2016</b> | <b>For the Year Ended March 31,</b> |               |               |
|---------------------------|---|-------------------------------------|---------------|---------------|
|                           |   | <b>2016</b>                         | <b>2015</b>   | <b>2014</b>   |
| <b>INCOME</b>             |   |                                     |               |               |
| Revenue from Operations   | 436.54                                    | 1116.61                             | 552.81        | 226.03        |
| As a % of Total Revenue   | 98.85                                     | 98.71                               | 100.00        | 100.00        |
| Other Income              | 5.09                                      | 14.64                               | -             | -             |
| As a % of Total Revenue   | 1.15                                      | 1.29                                | 0.00          | 0.00          |
| <b>Total Revenue (A)</b>  | <b>441.63</b>                             | <b>1131.15</b>                      | <b>552.81</b> | <b>226.03</b> |
| <b>Growth %</b>           | <b>NA*</b>                                | <b>104.61</b>                       | <b>144.57</b> | <b>371.58</b> |
| <b>EXPENDITURE</b>        |   |                                     |               |               |
| Direct Expenses           | 196.58                                    | 453.55                              | 103.26        | 81.75         |
| As a % of Total Revenue   | 44.51                                     | 40.10                               | 18.68         | 36.17         |
| Employee benefit Expenses | 69.48                                     | 257.22                              | 254.64        | 98.51         |
| As a % of Total Revenue   | 15.73                                     | 22.74                               | 46.06         | 43.58         |
| Finance costs             | 7.21                                      | 14.21                               | 9.42          | 0.14          |
| As a % of Total Revenue   | 1.63                                      | 1.26                                | 1.70          | 0.06          |
| Depreciation expense      | 5.76                                      | 21.74                               | 28.08         | 4.18          |
| As a % of Total Revenue   | 1.30                                      | 1.92                                | 5.08          | 1.85          |
| Other Expenses            | 34.23                                     | 109.88                              | 83.42         | 22.25         |





| Particulars  | For the Period ended June 30, 2016 | For the Year Ended March 31, |        |        |
|--|------------------------------------|------------------------------|--------|--------|
|  |                                    | 2016                         | 2015   | 2014   |
| As a % of Total Revenue                                | 7.75                               | 9.71                         | 15.09  | 9.84   |
| <b>Total Expenses (B)</b>                              | 313.27                             | 856.61                       | 478.82 | 206.83 |
| As a % of Total Revenue                                | 70.93                              | 75.72                        | 86.62  | 91.51  |
| <b>Profit before tax (A-B)</b>                         | 128.36                             | 274.65                       | 73.99  | 19.20  |
| As a % of Total Revenue                                | 29.06                              | 24.28                        | 13.38  | 8.49   |
| Profit before exceptional, extraordinary items and tax | 128.36                             | 274.65                       | 73.99  | 19.20  |
| As a % of Total Revenue                                | 29.06                              | 24.28                        | 13.38  | 8.49   |
| Exceptional items                                      | 0                                  | 0                            | 0      | 0      |
| Profit before extraordinary items and tax              | 128.36                             | 274.65                       | 73.99  | 19.20  |
| As a % of Total Revenue                                | 29.06                              | 24.28                        | 13.38  | 8.49   |
| Extraordinary items                                    | 0                                  | 0                            | 0      | 0      |
| Profit before tax                                      | 128.36                             | 274.65                       | 73.99  | 19.20  |
| <b>PBT Margin (%)</b>                                  | 29.06                              | 24.28                        | 13.38  | 8.49   |
| Tax expense :  |                                    |                              |        |        |
| (i) Current tax  | 42.35                              | 95.76                        | 30.06  | 5.33   |
| (ii) Deferred tax                                      | 2.24                               | (3.53)                       | (6.16) | 1.08   |
| (iii) MAT Credit                                       | 0                                  | 0                            | 0      | 0      |
| <b>Total Tax Expense</b>                               | 44.59                              | 92.23                        | 23.90  | 6.41   |
| Profit for the year/ period                            | 83.77                              | 182.42                       | 50.46  | 12.79  |
| <b>PAT Margin (%)</b>                                  | 18.97                              | 16.13                        | 9.13   | 5.66   |

*\*the period ended figures are not annulised hence cannot be compared for growth parameter with annualised figures of year ended March 31, 2016.*

## REVIEW OF THREE MONTHS ENDED JUNE 30, 2016

### INCOME

#### Income from Operations

Our income from operations was Rs. 436.54 lakhs which is about 98.85% of our total revenue for the period of three months ended on June 30, 2016.

#### Other Income

Our other income is Rs.5.09 lakhs due to interest on tax refund, foreign exchange fluctuation gain and interest on loan.

### EXPENDITURE

#### Direct expenditure

Our direct expenditure was Rs. 196.58 lakhs which is 44.51% of our total revenue for the period of three months ended June 30, 2016 .The direct expenditure comprises of project expenses.

#### Employee benefit expenses

Our employee benefit expenses were Rs.69.48 lakhs which was 15.73% of our total revenue for the period of three months ended June 30, 2016 and comprised of salary.

#### Finance cost



Our finance cost which consists of interest on secured loan & unsecured loan and other borrowing costs was Rs. 7.21 lakhs which is 1.63% of our total revenue for the period of three months ended June 30, 2016.

#### **Depreciation**

Depreciation and amortisation expenses were Rs. 5.76 lakhs which is 1.30% of our total revenue for the period of three months ended June 30, 2016

#### **Other expenses**

Our other expenses were Rs. 34.23 lakhs which is 7.75% of our total revenue for the period of three months ended June 30, 2016. Other expenses include advertisement and publicity, conveyance, rate and taxes, insurance expenses, legal & professional charges, power and fuel, repairs and maintenance etc.

#### **Profit before tax**

Our Profit before tax was Rs. 128.36 lakhs which is 29.07% of our total revenue for the period of three months ended June 30, 2016.

#### **Net profit**

Our Net profit after tax was Rs. 83.77 lakhs which is 18.97% of our total revenue for the period of three months ended June 30, 2016.

### **COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2016 WITH FINANCIAL YEAR ENDED MARCH 31, 2015**

#### **INCOME**

##### **Income from Operations**

| <b>Particulars</b> | <b>2014-2015</b> | <b>2015-2016</b> | <b>Variance</b> |
|--------------------|------------------|------------------|-----------------|
| Operating Income   | 552.81           | 1116.61          | 101.99          |

The operating income of the Company for the year ending March 31, 2016 is Rs. 552.81 lakhs as compared to Rs. 1116.61 lakhs for the year ending March 31, 2015, showing an increase of 101.99%. The increase was in line with our increase in operations.

##### **Other Income**

There was no other income in the last financial years. This year our other income is Rs. 14.64 lakhs due to interest on tax refund, foreign exchange fluctuation gain and interest on loan.

#### **DIRECT EXPENDITURE**

| <b>Particulars</b> | <b>2014-2015</b>   | <b>2015-2016</b>   | <b>Variance</b> |
|--------------------|--------------------|--------------------|-----------------|
|                    | <b>(Rs. Lakhs)</b> | <b>(Rs. Lakhs)</b> | <b>(%)</b>      |
| Project Expenses   | 103.26             | 453.55             | 339.25          |
| <b>Total</b>       | <b>103.26</b>      | <b>453.55</b>      | <b>339.25</b>   |

The direct expenditure has increased from Rs. 103.26 lakhs in Financial Year 2014-2015 to Rs. 453.55 lakhs in Financial Year 2015-2016 showing an increase of 339.25% over the previous year. The increase was in line with our increase in operations



### **ADMINISTRATIVE AND EMPLOYEE COSTS**

| Particulars               | 2014-2015   | 2015-2016   | Variance |
|---------------------------|-------------|-------------|----------|
|                           | (Rs. Lakhs) | (Rs. Lakhs) | (%)      |
| Employee Benefit Expenses | 254.64      | 257.22      | 1.01     |
| Other Expenses            | 83.42       | 109.88      | 31.72    |

There is increase in employee benefit expenses from Rs. 254.64 Lakhs to Rs. 257.22 Lakhs due to increase in employees as well as their salary levels.

Other expenses mainly include advertisement and publicity, conveyance, rate and taxes, insurance expenses, legal & professional charges, power and fuel, repairs and maintenance etc. Our other expenses increased by 31.72% from Rs. 83.42 lakhs in Financial Year 2014-2015 to Rs. 109.88 lakhs in Financial Year 2015-2016 in line with increase in business operations.

### **FINANCE CHARGES**

The finance charges for the period Financial Year 2015-2016 have increased to Rs. 14.21 lakhs from Rs. 9.42 lakhs in Financial Year 2015-2014. Bank charges and other finance cost under the head finance cost comparatively decreased from the last year but increase in interest charges on borrowings as compared to last year resulted an increase in finance cost.

### **DEPRECIATION**

Depreciation expenses for the Financial Year 2015-2016 have decreased to Rs. 21.74 lakhs as compared to Rs. 28.08 lakhs for the Financial Year 2014-2015. In Financial Year 2014-15 depreciation was higher as compared to Financial Year 2015-16 as the same was due to adoption of schedule II of companies Act, 2013 from Financial Year 2014-15. (I.e. depreciation charged on the basis of useful life of tangible assets) hence, due to which depreciation was higher in Financial Year 2014-15

### **PROFIT BEFORE TAX**

| Particulars       | 2014-2015   | 2015-2016   | Variance |
|-------------------|-------------|-------------|----------|
|                   | (Rs. Lakhs) | (Rs. Lakhs) | (%)      |
| Profit Before Tax | 73.99       | 274.65      | 271.19   |

Profit before tax increased by 271.19% from Rs. 73.99 lakhs to Rs. 274.65 lakhs in line with increase in business operations.

### **PROVISION FOR TAX AND NET PROFIT**

| Particulars       | 2014-2015   | 2015-2016   | Variance |
|-------------------|-------------|-------------|----------|
|                   | (Rs. Lakhs) | (Rs. Lakhs) | (%)      |
| Taxation Expenses | 23.90       | 92.23       | 285.89   |
| Profit after Tax  | 50.46       | 182.42      | 261.51   |

Taxation expense increased from Rs 23.90 lakhs in Financial Year 2014-2015 to Rs. 92.23 lakhs in Financial Year 2015-2016 due to higher profit before tax. The profit after tax increased from Rs 50.46 lakhs in Financial Year 2014-2015 to Rs. 182.42 lakhs in Financial Year 2015-2016 due to increase in business operations.

### **COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2015 WITH FINANCIAL YEAR ENDED MARCH 31, 2014**



### **TOTAL INCOME**

| Particulars  | 2013-2014   | 2014-2015   | Variance |
|--------------|-------------|-------------|----------|
|              | (Rs. Lakhs) | (Rs. Lakhs) | (%)      |
| Total Income | 226.03      | 552.81      | 144.57   |

The total income of the Company for the financial year 2014-2015 was Rs. 552.81 lakhs as compared to Rs. 226.03 lakhs for the financial year 2013-2014, showing an increase of 144.57%. The increase was due to increase in sale of services in line with our operations.

### **DIRECT EXPENDITURE**

| Particulars      | 2013-2014    | 2014-2015     | Variance     |
|------------------|--------------|---------------|--------------|
|                  | (Rs. Lakhs)  | (Rs. Lakhs)   | (%)          |
| Project Expenses | 81.75        | 103.26        | 26.31        |
| <b>Total</b>     | <b>81.75</b> | <b>103.26</b> | <b>26.31</b> |

The direct expenditure increased from Rs. 81.75 lakhs in financial year 2013-2014 to Rs.103.26 lakhs in financial year 2014-2015 showing an increase of 26.31% over the previous year. This increase was in line with our increase in sale of services.

### **ADMINISTRATIVE AND EMPLOYEE COSTS**

| Particulars               | 2013-2014   | 2014-2015   | Variance |
|---------------------------|-------------|-------------|----------|
|                           | (Rs. Lakhs) | (Rs. Lakhs) | (%)      |
| Employee Benefit Expenses | 98.51       | 254.64      | 158.49   |
| Other expenses            | 22.25       | 83.42       | 274.92   |

Employee Benefit Expenses in financial year 2014-2015 have increased by 158.49% to Rs. 254.64 lakhs as against Rs. 98.51 lakhs in financial year 2013-2014. The increase was due to increase in appointment of more employees resulting in increase in staff welfare, contribution to ESIC and other funds.

Other expenses increased from Rs. 22.25 lakhs in financial year 2013-2014 to Rs. 83.42 lakhs in financial year 2014-2015 showing an increase of 274.92% over the previous financial year. Increase in other expenses mainly includes foreign exchange loss, freight charges, power & fuel, packing and forwarding expenses, professional tax, repairs and maintenance, etc.

### **FINANCE CHARGES**

The finance charges for the Financial Year 2014-2015 increase to Rs. 9.42 lakhs from Rs. 0.14 lakhs during the financial year 2013-2014 due to higher borrowings for expansion of business operations.

### **DEPRECIATION AND AMORTISATION EXPENSES**

Depreciation for the year financial year 2014-2015 has increased to Rs. 28.08 lakhs as compared to Rs. 4.18 lakhs for the period 2013-2014 due to increase in investment of fixed assets.

### **PROFIT BEFORE TAX**

| Particulars       | 2013-2014   | 2014-2015   | Variance |
|-------------------|-------------|-------------|----------|
|                   | (Rs. Lakhs) | (Rs. Lakhs) | (%)      |
| Profit before tax | 20.00       | 73.99       | 269.95   |

The Profit before tax has increased to Rs. 73.99 lakhs in Financial Year 2014-2015 from Rs. 20.00 lakhs in Financial Year 2013-2014 showing an increase of 269.95%. This increase was due to increase in our business operations.



## PROVISION FOR TAX AND NET PROFIT

| Particulars       | 2013-2014   | 2014-2015   | Variance |
|-------------------|-------------|-------------|----------|
|                   | (Rs. Lakhs) | (Rs. Lakhs) | (%)      |
| Taxation Expenses | 6.22        | 23.90       | 284.24   |
| Profit after Tax  | 13.40       | 50.46       | 276.56   |

Taxation Expenses increased by 284.24% during the financial year 2014-2015 compared with the financial year 2013-2014 in line with the increase in profit before tax.

Profit after tax increased to Rs. 50.46 lakhs in the financial year 2014-2015 as compared to Rs. 13.40 lakhs in the financial year 2013-2014 due to increase in business operations.

### CASH FLOW FOR THE THREE MONTHS ENDED JUNE 30, 2016

The table below summarises our cash flows based on consolidated restated accounts for the three months ended June 30, 2016:

| Particulars   | For the period ended June 30, 2016 (Rs. Lakhs) |
|---|--|
| Net cash generated from /(used in) operating activities | (89.95)  |
| Net cash flow from / (used in) investing activities     | 24.00  |
| Net cash flow from /(used in) financing activities      | 17.67  |
| Net increase in cash and cash equivalents               | (48.35)  |

#### Operating Activities

Net cash generated from / (used in) operating activities was Rs. (89.95) Lakhs for the three months ended June 30, 2016 and consisted of Profit before tax of Rs. 128.37 Lakhs and further adjusted primarily by depreciation of Rs 5.76 Lakhs, gratuity Provision of Rs 1.04 Lakhs, interest expenses of Rs 7.22 Lakhs, interest incomes of Rs (0.34) Lakhs and profit on sale of fixed assets of Rs. (1.13) Lakhs.

#### Investing Activities

Net cash flow from /(used in) investing activities was Rs. 24.00 Lakhs for the three months ended June 30, 2016. Net cash flow from /(used in) investing activities was primarily due to purchase of fixed assets (including work in progress) of Rs. (0.35) Lakhs and proceeds from sale of fixed assets of Rs 2.59 Lakhs, interest income of Rs 0.34 Lakhs and receipt of loan proceeds of Rs 21.42 Lakhs.

#### Financing Activities

Net cash generated from / (used in) financing activities was Rs. 17.67 Lakhs for the three months ended June 30, 2016. Net cash generated from financing activities was due to proceeds from short-term borrowings of Rs. 24.89 Lakhs and interest payment of Rs (7.22) Lakhs.

### CASH FLOW FOR THE THREE FINANCIAL YEARS

The table below summarises our cash flows for the financial years 2016, 2015 and 2014:

| Particulars   | For the Year Ended March 31, (Rs. Lakhs) |         |          |
|---|--|---------|----------|
|   | 2016                                     | 2015    | 2014     |
| Net cash generated from /(used in) operating activities | 71.08                                    | (75.47) | (222.55) |
| Net cash flow from / (used in) investing activities     | (46.84)                                  | (31.91) | (7.91)   |
| Net cash flow from /(used in) financing activities      | 35.42                                    | 112.67  | 230.49   |



| Particulars                               | For the Year Ended March 31, (Rs. Lakhs) |      |      |
|---|--|------|------|
|   | 2016                                     | 2015 | 2014 |
| Net increase in cash and cash equivalents | 59.65                                    | 5.29 | 0.03 |

### **Operating Activities**

Net cash generated from / (used in) operating activities was Rs. 71.08 Lakhs for the financial year 2016 and consisted of profit before tax of Rs. 274.65 Lakhs, and further adjusted primarily by depreciation of Rs 21.74 Lakhs, gratuity Provision of Rs 4.71 Lakhs, interest expenses of Rs 13.57 Lakhs and interest income of Rs (1.67) Lakhs. Net cash generated from operating activities was Rs. (75.47) Lakhs for the financial year 2015 and consisted of profit before tax of Rs. 73.98 Lakhs and further adjusted primarily by depreciation of Rs 28.08 Lakhs, gratuity Provision of Rs 1.96 Lakhs and interest expenses of Rs 6.24 Lakhs. Net cash generated from operating activities was Rs. (222.55) Lakhs for the financial year 2014 and consisted of profit before tax of Rs. 19.19 Lakhs, and further adjusted primarily by depreciation of Rs 4.18 Lakhs, gratuity Provision of Rs 0.43 Lakhs and interest expenses of Rs 9.13 Lakhs.

### **Investing Activities**

Net cash flow from / (used in) investing activities was Rs. (46.84) Lakhs in financial year 2016, primarily on account of purchase of fixed assets of Rs 27.09, interest income of Rs 1.67 and loan and advances of Rs 21.42 Lakhs

Net cash flow from / (used in) investing activities was Rs. (31.91) Lakhs in financial year 2015, primarily on account of purchase of fixed assets of Rs 31.91 Lakhs.

Net cash flow from / (used in) investing activities was Rs. (7.91) Lakhs in financial year 2014, primarily on account of purchase of fixed assets of Rs 7.91 Lakhs

### **Financing Activities**

Net cash flow from / (used in) financing activities was Rs. 35.42 Lakhs in financial year 2016, which primarily consisted of Proceeds from issue of share capital by way of IPO Rs 142.80 Lakhs, share issue expenses of Rs 45.15 Lakhs, repayment of short term borrowings of Rs 48.66 Lakhs and interest paid of Rs 13.57 Lakhs.

Net cash flow from / (used in) financing activities was Rs. 112.67 Lakhs in financial year 2015, which primarily consisted of increase in short term borrowings of Rs 118.91 Lakhs and interest expenses of Rs 6.24 Lakhs.

Net cash flow from / (used in) financing activities was Rs. 230.49 Lakhs in financial year 2014, which primarily consisted of issue of share capital of Rs 225.70, increase in short term borrowings of Rs 4.92 Lakhs and interest expense of Rs 9.13 Lakhs.

### **OTHER MATTERS**

#### **1. Unusual or infrequent events or transactions**

Except as described in this Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

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

Other than as described in the section titled “*Risk Factors*” beginning on page 19 of this Red Herring Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.



**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**

Other than as disclosed in the section titled “*Risk Factors*” beginning on page 19 of this Red Herring Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**4. Future relationship between Costs and Income**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and prices of our products.

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

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

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

The Company is operating in Market Research Industry. Relevant industry data, as available, has been included in the chapter titled “*Our Industry*” beginning on page 109 of this Red Herring Prospectus.

**7. Status of any publicly announced new services/projects or business segments**

Our Company has not announced any new projects or business segments, other than disclosed in the Red Herring Prospectus. But our Company has plans to expand its operations through new technologies in future.

**8. The extent to which the business is seasonal**

Our Company business is not seasonal in nature.

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

The % of Contribution of our Company’s revenues by top five and top ten clients as on June 30, 2016

| Particulars | Customers |
|-------------|-----------|
| Top 5 (%)   | 47.25 %   |
| Top 10 (%)  | 71.11 %   |

**10. Competitive Conditions**

We face competition from existing and potential unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “*Our Business*” on page 129 of this Red Herring Prospectus.

**11. Qualifications in Auditor’s Examination Report**

To our knowledge, except as disclosed in this Prospectus, there have been no qualification in auditor’s report. Our statutory auditors for fiscal years 2016 have provided certain observations and emphasis of matter in their respective auditors’ report and also reported certain observations in their reports on the Companies (Auditors Report) Order, 2003 (to extent applicable) and Companies (Auditors Report) Order, 2016. These matters include slight delay in payment of statutory dues like payment of service tax amounting to Rs. 24.97 lakhs and payment of TDS amounting to Rs. 0.42 lakhs. In case we are unable to meet the above commitment, we will be liable to a retrospective levy of fine. Additionally, the respective authorities have rights to levy penalties and / or interest for any defaults on a case-by-case basis. Such non compliance of





Statutory due may lead to penalty, resulting in a material adverse effect on our business, financial condition and results of operations. For more information, please refer chapter titled “*Outstanding Litigation And Material Developments*” on page 256 the Red Herring Prospectus.

## **12.Changes in Accounting Policies**

There have been no changes in our accounting policies in the last five fiscal years/ periods.



## FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks for conducting its business.

Set forth is a brief summary of our Company's secured and unsecured borrowings as on date of the Red Herring Prospectus together with a brief description of certain significant terms of such financing arrangements.

### SECURED LOAN

#### Cash Credit under CGTMSE Scheme of Rs. 100 lakhs sanctioned by Axis Bank Limited

|   |   |
|---|---|
| <b>Name of the lender</b>   | Axis Bank Limited   |
| <b>Facility</b>   | Cash Credit under CGTMSE Scheme– Rs. 100 lakhs (Renewal at existing level)  |
| <b>Interest Rate</b><br><i>(% p.a., unless otherwise specified)</i> | <b>Base rate +3.75% i.e. at present 13.25% p.a. payable at monthly intervals as and when debited.</b><br>Present Base Rate of the bank is 9.50% p.a   |
| <b>Tenor/ Repayment schedule</b>                                    | On demand   |
| <b>Security</b>   | <b>Principal:</b><br>First exclusive charge on the entire current assets of the company<br><br><b>Collateral:</b><br>Nil<br><br><b>Personal Guarantee</b><br>1. Mr. Rajendrakumar Sharma<br>2. Mr. Sandeep Bhatia |
| <b>Guarantee</b>  | <b>CGTMSE guarantee cover</b>   |
| <b>Margin</b>   | <b>25% of Book debts outstanding upto 90 days</b><br><b>Book debts upto 90 days only shall be considered for drawing power</b>  |
| <b>Valuation</b>  | <b>Book debts at invoice value</b>  |
| <b>Tenor</b>  | <b>One year subject to renewal at the discretion of Bank</b>  |

### UNSECURED LOAN

Set forth below is a brief summary of our Company's unsecured borrowings from related parties and others.

(Rs. In Lakhs)

| Sr.No | Name of Lender | Loan Amount as on March 31, 2016 |
|-------|----------------|----------------------------------|
| 1.    | Omni           | 1.00                             |

For further details please refer to Annexure X of chapter titled— “Standalone Financial Statements” as Restated beginning on page 184 of this Red Herring Prospectus.



### STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our Equity Shares are listed on the SME Stock Exchange of BSE Ltd. with effect from July 16, 2015 with ISIN INE196R01012. As our Equity Shares are actively traded on the Stock Exchange, our Company's stock market data have been given separately for BSE (BSE Code: 539229). There is no change in capital structure since the date of listing of shares of our company i.e. July 16, 2015.

The high and low prices recorded on the Stock Exchanges for the preceding last one year (since the shares of the company were listed and traded on July 16, 2015) and the number of Equity Shares traded on the days the high and low prices were recorded are stated below:

| Year  | High (Rs.) | Date of High     | Volume on date of high (no. of shares) | Low (Rs.) | Date of Low    | Volume on date of low (no. of shares) | Average price for the period / year (Rs.) |
|---|------------|------------------|--|-----------|----------------|---------------------------------------|---|
| 2015-2016 (From July 16, 2015 ie date of Listing) | 92.25      | January 07, 2016 | 15000                                  | 14        | July 16, 2015  | 1,40,000                              | 54.47                                     |
| 2016-17 (till November 10, 2016)                  | 165.60     | November 4, 2016 | 47500                                  | 75.20     | April 22, 2016 | 15,000                                | 123.98                                    |

Source: [www.bseindia.com](http://www.bseindia.com)

*Average price for the period / year is computed based on the number of days shares were traded during the period / year*

The details relating to the high and low prices recorded on the Stock Exchanges for the six months preceding the date of filing of this Red Herring Prospectus, the volume of Equity Shares traded on the days the high and low prices were recorded, average price of our Equity Shares during each such month, the volume of Equity Shares traded during each month and the average number of Equity Shares traded during such trading days, are stated below:



| Month     | High (Rs.) | Date of High       | Volume on date of high (no. of shares) | Low (Rs.) | Date of Low        | Volume on date of low (no. of shares) | Average price for the month (Rs.) | Volume of (no. of shares) | No. of Trading Days | Average no. of shares traded during trading days |
|-----------|------------|--------------------|--|-----------|--------------------|---------------------------------------|-----------------------------------|---------------------------|---------------------|--|
| February  | 78.40      | February 2, 2016   | 5000                                   | 58.15     | February 25, 2016  | 5000                                  | 67.70                             | 75000                     | 7                   | 10714  |
| March     | 72.00      | March 15, 2016     | 15000                                  | 57.00     | March 1, 2016      | 15000                                 | 65.39                             | 50000                     | 5                   | 10000  |
| April     | 101.95     | April 22, 2016     | 15000                                  | 75.20     | April 22, 2016     | 15000                                 | 89.90                             | 30000                     | 4                   | 7500   |
| May       | 122        | May 16, 2016       | 7500                                   | 98        | May 30, 2016       | 7500                                  | 109.45                            | 105000                    | 12                  | 8750   |
| June      | 130        | June 21, 2016      | 12500                                  | 103       | June 2, 2016       | 2500                                  | 112.75                            | 55000                     | 8                   | 6875   |
| July      | 150        | July 29, 2016      | 5000                                   | 120       | July 4, 2016       | 5000                                  | 134.39                            | 45000                     | 9                   | 5000   |
| August    | 147        | August 25, 2016    | 5000                                   | 135       | August 11, 2016    | 5000                                  | 140.50                            | 20000                     | 5                   | 4000   |
| September | 153        | September 11, 2016 | 5000                                   | 121       | September 28, 2016 | 5000                                  | 138.14                            | 27500                     | 7                   | 3928   |
| October   | 138.80     | October 5, 2016    | 27500                                  | 93        | October 14, 2016   | 17500                                 | 120.77                            | 130000                    | 11                  | 11818  |

Source: [www.bseindia.com](http://www.bseindia.com)

Average price for the period / year is computed based on the number of days shares were traded during the period / year

The closing price was Rs.76.30 on BSE on January 1 2016, the immediate trading day following the day on which Board of Directors of our company approved the Offer, subject to the approval of shareholders. The closing price was Rs. 63.95 on BSE on February 10, 2016, the immediate trading day following the day on which shareholders approved the Offer. There was no trading after the date on which the resolution of the board of directors and shareholder resolution approving the issue were approved hence the immediate trading day post passing of resolution had been taken.

The details relating to the weekly high, low and closing prices recorded on the Stock Exchanges during the immediate previous four weeks is as under:



| <b>Week ending</b> | <b>Closing (Rs.)</b> | <b>High (Rs.)</b> | <b>Date of high</b>      | <b>Low (Rs.)</b> | <b>Date of Low</b>          |
|--------------------|----------------------|-------------------|--------------------------|------------------|-----------------------------|
| October 21, 2016   | 120                  | 120               | October 20, 2016         | 110              | October 18, 2016            |
| October 28, 2016   | 115                  | 115               | October 28, 2016         | 115              | October 28, 2016            |
| November 04, 2016  | 160                  | 165.60            | November 04, 2016        | 129              | October 30, 2016            |
| November 11, 2016  | 160                  | 160               | November 10 and 09, 2016 | 150              | November 07,08 and 09, 2016 |



## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except, as stated below and mentioned elsewhere in this Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, statutory or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries and Group Companies or against any other company whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on May 11, 2016 determined that outstanding dues to creditors in excess of 1% of our Company's turnover as per last audited standalone and consolidated financial statements shall be considered as material dues ("**Material Dues**").

Unless otherwise stated to contrary, the information provided is as of date of this Red Herring Prospectus.

#### LITIGATION INVOLVING OUR COMPANY

##### *Against our Company*

##### *Criminal Litigation*

Nil

##### *Civil Proceedings*

Nil

##### *Taxation Matters*

Nil

##### *Proceedings against Our Company for economic offence/securities laws/ or any other law*

Nil

##### *Penalties in Last Five Years*

Nil

##### *Pending Notice against our Company*

Nil



***Past Notice to our Company***

Nil

**Disciplinary Action taken by SEBI or stock exchanges against Our Company**

Nil

**Defaults including non payment or statutory dues to banks or financial institutions**

Nil

**Details of material fraud against the Company in last five years and action taken by the Companies.**

Nil

**LITIGATION FILED BY OUR COMPANY**

***Criminal Litigation***

Nil

**Civil Proceedings/Arbitration Matters**

Nil

***Taxation Matters***

Nil

**Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law**

Nil

**LITIGATION INVOLVING DIRECTORS OF OUR COMPANY**

***Litigation against our Directors***

Nil

***Criminal Litigation***

Nil

**Civil Proceedings**

Nil

***Taxation Matters***

Nil

***Past Penalties imposed on our Directors***

Nil

***Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law***

Nil

***Directors on list of wilful defaulters of RBI***

Nil

**Litigation by Directors of Our Company**

***Criminal Litigation***

Nil





**Civil Proceedings**

Nil

***Taxation Matters***

Nil

**LITIGATION INVOLVING PROMOTER OF OUR COMPANY**

**Outstanding Litigation against our Promoters**

***Criminal Litigation***

Nil

**Civil Proceedings**

Nil

***Taxation Matters***

**For Assessment year 2014-15**

Income Tax Department has issued notice dated April 22, 2016 under Section 142(1) of Income Tax Act, 1961 to our promoter company i.e. Majestic Market Research Support Services Limited in respect of assessment year 2014-15. Vide said notice Income Tax Department has directed the assessee company to produce certain documents i.e. copy of complete filed e-return, Form 29 B, P&L Account etc. The matter is currently pending.

***Past Penalties imposed on our Promoters***

Nil

***Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law***

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years**

Nil

**Penalties in Last Five Years**

Nil

**Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in Past**

Nil

**Adverse finding against Promoter for violation of Securities laws or any other laws**

Nil

**Litigation by Our Promoters**

***Criminal Litigation***

Nil

**Civil Proceedings**

Nil

***Taxation Matters***



Nil

## **LITIGATION INVOLVING OUR GROUP COMPANIES**

### *Outstanding Litigation against our Group Companies*

Nil

#### *Criminal Litigation*

Nil

#### **Civil Proceedings**

Nil

#### **Taxation Matters**

Nil

#### **Past Penalties imposed on our Group Companies**

Nil

#### **Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law**

Nil

#### **Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies**

Nil

#### **Adverse finding against Group Companies for violation of Securities laws or any other laws**

Nil

## **LITIGATION BY OUR GROUP COMPANIES**

### *Criminal Litigation*

Nil

#### **Civil Proceedings**

Nil

#### *Taxation Matters*

Nil

## **LITIGATION INVOLVING OUR SUBSIDIARIES**

Nil

### *Criminal Litigation*

Nil

#### **Civil Proceedings**

Nil

#### *Taxation Matters*

Nil

#### *Past Penalties imposed on our Subsidiaries*

Nil



***Proceedings initiated against our Subsidiaries for Economic Offences/securities laws/ or any other law***

Nil

***Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Subsidiaries***

Nil

***Adverse finding against Subsidiaries for violation of Securities laws or any other laws***

Nil

## **LITIGATION BY OUR SUBSIDIARIES**

***Criminal Litigation***

Nil

***Civil Proceedings***

Nil

***Taxation Matters***

Nil

## **OTHER MATTERS**

Nil

***Details of any inquiry, inspection or investigation initiated under present or previous companies laws in last five years against the Company or its subsidiaries***

Nil

***Outstanding Litigation against other companies or any other person whose outcome could have an adverse effect on our company***

Nil

***Outstanding dues to Statutory Authorities***

Our company has an outstanding amount of Rs. 42,608/- towards TDS and amount of Rs. 24,97,880/- towards payment of service tax.

***Material Developments since the Last Balance Sheet***

In this Red Herring Prospectus, to our knowledge, there have been no material developments, since the date of the last audited balance sheet.

***Outstanding dues to small scale undertakings or any other creditors***

We do not have any outstanding dues to creditors in excess of 1% of our Company's turnover as per last audited standalone and consolidated financial statements which shall be considered as material dues ("***Material Dues***").



## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Red Herring Prospectus. In order to operate our business of, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, see chapter “Key Industry Regulations and Policies” on page 144 of this Red Herring Prospectus.

Further, except as mentioned herein below, our Company has not yet applied for any licenses for the proposed activities as contained in the chapter titled ‘Objects of the Issue’ beginning on page no. 95 of this Red Herring Prospectus to the extent that such licenses/approvals may be required for the same.

The Company has its registered office at 2nd Floor, Kalpak Arcade, No. 46/17, Church Street Bengaluru, Karnataka.

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Red Herring Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India 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. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.

The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### APPROVALS FOR THE ISSUE/OFFER

#### *Corporate Approvals:*

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on December 26, 2015, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Postal Ballot dated February 8, 2016, by a special resolution authorized the Issue.

#### *In- principle approvals from the Stock Exchange*

We have received in-principle approval from the stock exchange for further public offer pursuant to letter dated October 20, 2016 bearing reference no. DCS/IPO/SM/IP/480/2016-17

#### *Agreements with NSDL and CDSL*

1. The Company has entered into an agreement dated August 19, 2014 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.



2. Similarly, the Company has also entered into an agreement dated August 26, 2014 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number ("ISIN") is INE196R01012.

#### **INCORPORATION AND OTHER DETAILS**

1. The Certificate of Incorporation dated May 02, 2012, issued by the Registrar of Companies, Karnataka, in the name of "**Majestic Research Services and Solutions Private Limited**".
2. Fresh Certificate of Incorporation dated August, 11 2014 issued by the Registrar of Companies, Karnataka consequent upon conversion of our Company to from private company to public company.
3. Corporate Identity Number of our Company is **L72200KA2012PLC063818**.

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

#### **BUSINESS RELATED APPROVALS**

| <b>Sr. No.</b> | <b>Authorisation granted</b>  | <b>Issuing Authority</b>  | <b>Registration No./Reference No./License No.</b> | <b>Date of Issue</b>  | <b>Validity</b>   |
|----------------|---|---|---|---|-------------------|
| 1.             | Registration under Shops and Establishments Certificate (Maharashtra) | Office of Inspector under the Bombay Shops and Establishments Act, 1948 | 760387932/COMMERCIAL II Ward L                    | Initially issued on May 8, 2014<br><br>Renewed on December 23, 2015 | December 16, 2016 |

#### **TAX RELATED APPROVALS/LICENSES/REGISTRATIONS**

| <b>Sr. No.</b> | <b>Authorisation granted</b>       | <b>Issuing Authority</b> | <b>Registration No./Reference No./License No.</b> | <b>Date of Issue</b> | <b>Validity</b> |
|----------------|------------------------------------|--------------------------|---|----------------------|-----------------|
| 1.             | Permanent Account Number (PAN)     | Income Tax Department    | AAHCM9028Q  | May 25, 2012         | Perpetual       |
| 2.             | Tax Deduction Account Number (TAN) | Income Tax Department    | BLRM19172G  | Not Available        | Perpetual       |



| Sr. No. | Authorisation granted  | Issuing Authority  | Registration No./Reference No./License No. | Date of Issue  | Validity  |
|---------|--|--|--|--|-----------|
| 3.      | Registration under Service Tax (under Chapter V of Finance Act, 1994 read with Service Tax Rules, 1994)  | Superintendent (Reg.), Service Tax Division, Mumbai, Central Board of Excise and Customs, Department of Revenue, Ministry of Finance | AAHCM9028QSD001                            | Initially issued on July 20, 2012<br><br>Last amended on November 10, 2014 | Perpetual |
| 4.      | Profession Tax Registration Certificate under Sub Section 1 Section 5 of Maharashtra State Tax on Professions, Trade, Callings and Employments Act, 1975                                       | Sale Tax Officer, Mumbai, (PTO)  | 27675269735P                               | October 15, 2015.  | Perpetual |
| 5.      | Professional Tax Enrollment Certificate under sub section 2 or sub section 2A or sub section 3 of Section 5 of Maharashtra State Tax on Professions, Trade, Callings and Employments Act, 1975 | Sale Tax Officer   | 99172135722P                               | October 15, 2015   | Perpetual |

#### **LABOUR RELATED APPROVALS**

| Sr. No. | Authorisation granted  | Issuing Authority    | Registration No./Reference No./License No. | Date of Issue   | Validity       |
|---------|------------------------|----------------------|--|-----------------|----------------|
| 1.      | Registration Under the | Employees' Provident | THTHA1030120                               | October 7, 2014 | Not Applicable |



| Sr. No. | Authorisation granted   | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|---------|---|-------------------|--|---------------|----------|
|         | Employees' Provident Funds and Miscellaneous Provisions Act, 1952 | Fund Organisation |  |               |          |

### 1. Pending Approvals : Nil




#### Approvals/ Licenses to be applied

We are yet to apply for the following licenses and/ or approvals which will be applied for in due course:

| Sr. No. | Nature of License / Approvals   | Authority   |
|---------|---|---|
| 1.      | Shops and Commercial Establishments Registration Certificate for Registered Office in Bengaluru | Inspector under the Karnataka Shops and Commercial Establishments Act, 1961 |

### 2. Trademarks

We have applied for the registration of the following trademark under the Trade Marks Act, 1999. The status of our application is as under:

| Sl. No. | Description/Mark/label/Word   | App. No. | Class | Date of Trademark Registration | Status               |
|---------|---|----------|-------|--------------------------------|----------------------|
| 1.      | SENSOMATRIX   | 2694457  | 35    | NA                             | Abandoned            |
| 2.      |  | 2417670  | 35    | NA                             | Objected.Reply Filed |
| 3.      |  | 2417671  | 41    | NA                             | Objected.Reply Filed |
| 4.      |  | 2417672  | 42    | NA                             | Objected.Reply Filed |
| 5.      | Majestic Implicit Research  | 2986666  | 35    | NA                             | Objected.Reply Filed |
| 6.      | FutureProof the Enterprise  | 3085032  | 35    | NA                             | Objected.Reply Filed |





## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on December 26, 2015 and by the shareholders of our Company by a special resolution through Postal Ballot dated February 08, 2016.

We have received in-principle approval from the Stock Exchange for the listing of our Equity Shares pursuant to letter no DCS/IPO/SM/IP/480/2016-17 dated October 20, 2016.

### PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoter, our Directors, our Promoter Group and natural persons behind our promoters, 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.

The companies with which our Promoter, our Directors or persons in control of our Company are / were associated as promoter, directors or persons in control 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 in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

### PROHIBITION BY RBI

Neither our Company, nor our Promoter, or the relatives (as defined under the Companies Act) of our Promoter or Group Entity have been identified as willful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

### ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M(1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares

#### We confirm that:

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the Book Running Lead Manager will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page 58 of this Red Herring Prospectus.
2. 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 such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits the copy of Red Herring 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.



4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled “*General Information*” beginning on page 58 of this Red Herring Prospectus.
5. The Company has a website [www.mrssindia.com](http://www.mrssindia.com)

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 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.

#### **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 BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS 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 FURTHER 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 THIS RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE/ AND SHALL ALSO BE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE BEFORE REGISTERING THE RED HERRING PROSPECTUS WITH ROC AND BEFORE OPENING OF ISSUE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.**

**“WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE 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 RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE**



**ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

- A. THE RED HERRING PROSPECTUS FILED WITH THE EXCHANGE / BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
  - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE FURTHER ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
  - C. THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED FURTHER ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
  - 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.– NOTED FOR COMPLIANCE**
  - 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE RED HERRING PROSPECTUS.**
  - 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE RED HERRING PROSPECTUS.**
  - 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS'**



**CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**

- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 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 RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE**
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE RED HERRING PROSPECTUS:**
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE**
- 14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**
- 15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE**



**BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY-NOTED FOR COMPLIANCE**

**16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”**

**17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.” *COMPLIED TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE RED HERRING PROSPECTUS***

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS 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 RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION 4 OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE RED HERRING PROSPECTUS. – NOT APPLICABLE**
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE-NOTED FOR COMPLIANCE**





**(7) WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE DRAFT RED HERRING PROSPECTUS\ RED HERRING PROSPECTUS / PROSPECTUS WITH THE REGISTRAR OF COMPANIES OR LETTER OF OFFER WITH SME EXCHANGE.**

**Note:**

The filing of this Red Herring Prospectus does not, however, absolve our Company from any liabilities under section 34 and 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and 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 the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Bengaluru, Karnataka in terms of Section 26, 30 and 32 of the Companies Act, 2013.

**DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this 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.mrssindia.com](http://www.mrssindia.com) would be doing so at his or her own risk.

**Caution**

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Book Running Lead Manager and our Company dated September 27, 2016, the Underwriting Agreement dated September 27, 2016 entered into among the Underwriter and our Company and the Market Making Agreement dated October 19, 2016 entered into among the Market Maker, Book Running Lead Manager and our Company.

Our Company and the Book Running 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 centres, etc.

The Book Running 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 and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Book Running Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

**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 Book Running 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 BOOK RUNNING LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by M/s Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer “Annexure A” to this Red Herring Prospectus and the website of the Book Running Lead Manager at [www.pantomathgroup.com](http://www.pantomathgroup.com)

#### **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 authorized 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 authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Red Herring 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 this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this 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 this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring 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, legislations and Red Herring Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE**



BSE Limited (“BSE”) has given vide its letter dated October 20, 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 the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company’s securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

## **FILING**

The Red Herring Prospectus has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M)(3). However, a copy of the Red Herring Prospectus shall be filed with SEBI at the Southern Regional Office of SEBI at The Regional Manager, SEBI, Overseas Towers, 7th Floor, 756-L, Anna Salai, Chennai: 600002. Tel : +91-44-28880222 / 28526686 Fax: +91-44 -28880333 E-mail : [sebisro@sebi.gov.in](mailto:sebisro@sebi.gov.in). A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at “E” wing, 2nd Floor, Kendriya Sadana, Koramangala, Bengaluru– 560034, Karnataka Website: [www.mca.gov.in](http://www.mca.gov.in).

## **LISTING**

The equity shares of our Company got listed on the SME Exchange of BSE on July 16, 2015 pursuant to the Initial Public Issue (IPO) .Total capital of Rs 142.80 Lakhs comprised of fresh issue of 11,20,000 Equity Shares of face value of Rs 10/- each for cash at a premium of Rs 2.75/- Per Share.

Application for further issue of capital was made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principal approval for using its name in our Red Herring Prospectus *vide* its letter dated October 20, 2016

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013





Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE of the offered shares mentioned above are taken within six Working Days from the Issue Closing Date

## CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, the Statutory Auditor and the Peer Reviewed Auditor, the Bankers to the Company; and (b) Book Running Lead manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Banker(s)/ Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue, to act in their respective capacities have been obtained and is filed along with a copy of the Red Herring Prospectus with the RoC, as required under sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this Red Herring Prospectus for registration with the RoC. Our Peer Reviewed Auditor have given their written consent to the inclusion of their report in the form and context in which it appears in this Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

## EXPERT TO THE ISSUE

M/s. R.T Jain & Co. Chartered Accountants, have provided their written consent for the inclusion of the report on the restated consolidated and standalone financial statements in the form and context in which it will appear in this Red Herring Prospectus /Red Herring Prospectus and Prospectus and the statement of tax benefits included on page 106 respectively, and to be named as an expert in relation hereto, and such consent has not been withdrawn at the time of delivery of this Red Herring Prospectus to Stock Exchange. Except the report of the Peer Reviewed Auditor our Company has not obtained any other expert opinion.

## EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 95 of this Red Herring Prospectus

## DETAILS OF FEES PAYABLE

### Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issue by our Company to the Book Running 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 September 15 ,2016 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.

### 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 if any.



## **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Book Running Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Red Herring Prospectus and Allotment of Securities) Rules, 2014.

## **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION**

The equity shares of our Company are listed on SME exchange of BSE Ltd. We have made public issue in the year 2015 and post that became a “Listed Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is a “Further Public Offering” in terms of the SEBI (ICDR) Regulations.

The Company has made the following public issues in the five years preceding the date of this Red Herring Prospectus.

| <b>Sl. No.</b> | <b>Closing Date</b> | <b>Date of Allotment</b> | <b>Date of Refunds</b> | <b>Date of listing on the designated stock exchange</b> | <b>Issue at a premium or discount</b> | <b>Amount of premium</b> |
|----------------|---------------------|--------------------------|------------------------|---|---------------------------------------|--------------------------|
| 1              | July 2, 2015        | July 13, 2015            | July 20, 2015          | July 16, 2015   | Premium                               | Rs. 2.75\_- per share    |

The total proceeds from the Initial Public issue of Equity Shares aggregated approximately Rs. 142.80 Lakhs. The issue opened on June 30, 2015 and closed on July 02, 2015. The proceeds of the issue were applied towards the objects of the issue as stated in the Prospectus dated June 24, 2016 i.e. Procurement of new technology, Working capital requirements and Meet Issue Expenses. There were no deviations from the objects on which the issue proceeds were utilised.

## **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 69 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

In the IPO, SCSBs were entitled to a processing fee of Rs. 10/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them.

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, was 0.01% on the Allotment Amount# or Rs 100/- whichever is less on the Applications wherein shares are allotted.

## **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, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:**



None of the equity shares of our Group Entities are listed on any recognized stock exchange. None of the above companies have raised any capital during the last 3 years preceding the date of this Red Herring Prospectus.

#### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

The objects of the IPO in 2015 was requirement for working capital, purchase of new technology and Issue Expenses. Consequently there has not been any non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issue of the Company in the preceding 10 years.

#### **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

For details kindly refer chapter titled “*Stock Market Data for Equity Shares*” of the Company beginning on page 253 of this Red Herring Prospectus.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three 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 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 Application Form was submitted by the ASBA applicants.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on June 15, 2015. For further details, please refer to the chapter titled “*Our Management*” beginning on page 158 of this Red Herring Prospectus .

Our Company has appointed Sonali Gamne as Compliance Officer and he may be contacted at the following address:

#### **Majestic Research Services and Solutions Limited**

##### **Corporate Office:**

##### **Mumbai**

Office No. 601 & 701, Trellis, Plot No. 202/203,  
LBS Marg, Near Asha Petrol Pump, Kurla (West)  
Mumbai – 400070



**Tel:** +91 022 26502751\52

**Fax:** NA

**Email:** info@mrssindia.com

**Website:** [www.mrssindia.com](http://www.mrssindia.com)

Registration Number : 063818

**Corporate Identification Number:** L72200KA2012PLC063818

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

#### **CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS**

Following changes in Auditors have been done in last two financial years:

| <b>Name of Auditor</b>                | <b>Date of Appointment</b> | <b>Date of Resignation</b> | <b>Year of Audit</b> |
|---------------------------------------|----------------------------|----------------------------|----------------------|
| M/s. Hemanshu J Kamdar and Associates | May 16, 2012               | -                          | FY 2013              |
| M/s. Hemanshu J Kamdar and Associates | September 30, 2013         | January 1, 2014            | -                    |
| M/s. R.T. Jain &Co.                   | January 28, 2014           | -                          | FY 2014              |

#### **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 69 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last five years.

#### **REVALUATION OF ASSETS**

Our Company has not revalue its assets since incorporation.

#### **PURCHASE OF PROPERTY**

Other than as disclosed in this Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

#### **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.



## SECTION VII – ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice 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, rules, 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 FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 2, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The Listing Regulations have become effective from December 1, 2015.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

### RANKING OF EQUITY SHARES

The Equity Shares being issue in the Issue shall be subject to the provisions of the Companies Act, 2013 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 upon 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 in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 336 of this Red herring Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders 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. For further details, please refer to the chapter titled “*Dividend Policy*” on page 183 of this Red herring Prospectus.

### FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price at the lower end of Price Band is Rs. [●] per Equity Share and at the higher end of the Price Band is Rs. [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in all india edition of the English national newspaper Business Standard, all india edition of the Hindi national newspaper Busines Standard and Bengaluru



edition of the Kannada newspaper Kannada Prabha, each with wide circulation, at least one Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

Investors may be guided in the meantime by the secondary market prices.

## **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 receive Annual Reports & notices to members;
- 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 issue 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, 2013 Act, the terms of the SEBI Listing Regulations 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 number 336 of this Red herring Prospectus.

## **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated August 26, 2014 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated August 19, 2014 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.





**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **JOINT HOLDER**

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 applicant, or the first applicant along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicant, 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 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.

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.





## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Red Herring Prospectus and Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Red Herring Prospectus with Stock Exchange.

## BID/ ISSUE OPENING DATE

| Event   | Indicative Date   |
|---|-------------------|
| Bid/ Issue Opening Date   | November 28, 2016 |
| Bid/ Issue Closing Date   | December 05, 2016 |
| Finalization of Basis of Allotment with the Designated Stock Exchange | December 08, 2016 |
| Initiation of Refunds   | December 08, 2016 |
| Credit of Equity Shares to Demat Accounts of Allottees                | December 09, 2016 |
| Commencement of trading of the Equity Shares on the Stock Exchange    | December 14, 2016 |

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Red Herring Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be



considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Red Herring Prospectus is Indian Standard Time.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

**In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.**

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data

#### **MINIMUM SUBSCRIPTION**

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

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue 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.

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



## **MIGRATION TO MAIN BOARD**

Our company may migrate to the Main board of BSE from SME Exchange on a later date subject to the following:

- a. *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, 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 Promoter 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), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

## **MARKET MAKING**

The shares issued and transferred through this Issue are proposed to be listed on the SME Exchange of BSE (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on SME Platform of BSE. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 58 of this Red herring Prospectus.

## **ARRANGEMENT FOR DISPOSAL OF ODD LOT**

The trading of the equity shares will happen in the minimum contract size of [●] 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.

## **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 or FPO. 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.

## **OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the



Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

#### **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

#### **APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S**

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 69 of this Red herring 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 336 of this Red herring Prospectus.

*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 Red herring 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, our post issue face value capital does not exceeds ten crore rupees. The Company shall 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 277 and 286 of this Red Herring Prospectus.

### Following is the issue structure:

Further Public offer of up to consisting of fresh issue [●] Equity Shares for cash at price of Rs.[●] (including a premium of Rs. [●]) Aggregating to Rs. 1000.00 by our Company. The Issue comprises a net issue to the public of up to [●] Equity Shares (the "Net Issue"). The Issue will constitute [●] % of the post-Issue paid-up Equity Share capital of our Company and the Net Issue will constitute [●] % of the post-Issue paid-up Equity Share capital of our Company.

The issue comprises a reservation of upto [●] Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

| Particulars   | Net issue to Public*   | Market Maker Reservation Portion          |
|---|--|---|
| <b>Number of Equity Shares</b>  | [●] Equity Shares  | [●] Equity Shares                         |
| <b>Percentage of Issue Size available for allocation</b>                        | [●] % of Issue Size  | [●] % of Issue Size                       |
| <b>Basis of Allotment / Allocation if respective category is oversubscribed</b> | Proportionate subject to minimum allotment of [●] equity shares and further allotment in multiples of [●] equity shares each. For further details please refer to the section titled " <i>Issue Procedure</i> " on page 286 of the Red Herring Prospectus                      | Firm allotment                            |
| <b>Mode of Bid cum Application</b>  | All Applicants/Bidders shall make the application (Online or Physical through ASBA Process)  | Through ASBA Process only                 |
| <b>Minimum Bid Size</b>   | <i>For QIB and NII</i><br>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application size exceeds Rs 2,00,000<br><i>For Retail Individual</i><br>[●] Equity shares   | [●] Equity Shares                         |
| <b>Maximum Bid Size</b>   | <i>For Other than Retail Individual Investors:</i><br>For all other investors the maximum application size is the Net Issue to public subject to limits as the investor has to adhere under the relevant laws and regulations as applicable.<br><i>For Retail Individuals:</i> | Equity Shares of Face Value of Rs 10 each |



| Particulars              | Net issue to Public*  | Market Maker Reservation Portion  |
|--------------------------|---|---|
|                          | <input type="checkbox"/> Equity Shares  |   |
| <b>Mode of Allotment</b> | Compulsorily in Dematerialised mode   | Compulsorily in Dematerialised mode   |
| <b>Trading Lot</b>       | <input type="checkbox"/> Equity Shares  | <input type="checkbox"/> Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations |
| <b>Terms of payment</b>  | The entire Bid Amount will be payable at the time of submission of the Bid Form |   |

*\*50 % of the shares issued in the Net Issue to Public portion are reserved for applications whose value is below Rs. 2,00,000 and the balance 50 % of the shares are reserved for applications whose value is above Rs. 2,00,000.*

- (1) In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.
- (2) Retail Discount of Rs.  to the Issue Price may be issued to the Retail Individual Bidders and the Eligible Employees bidding in the Employee Reservation Portion.





## ISSUE PROCEDURE

*All Bidders 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”), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under “Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus*

*Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the ASBA Form.*

*Bidders are required to submit Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the ASBA Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by BSE Ltd. to act as intermediaries for submitting Bid Cum Application forms are provided on <http://www.bseindia.com> For details on their designated branches for submitting ASBA Forms, please see the above mentioned BSE website.*

*Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept ASBA Forms.*

## BOOK BUILDING 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 book building process wherein 50% of the Net Issue to Public is being issued to the Retail Individual Bidders and the balance shall be issued to QIBs and Non-Institutional Bidders. However, if the aggregate demand from the Retail Individual Bidders is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion issued to the remaining investors including QIBs and NIIs and vice-versa subject to valid bids being received from them at or above the Issue Price.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on





a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

### **BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Offer Opening Date.

All Bidders shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

| <b>Category</b>   | <b>Colour of Bid cum Application Form*</b> |
|---|--|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis             | White                                      |
| Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis | Blue                                       |

*\*excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank

### **WHO CAN Bid?**

In addition to the category of Bidders 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:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares.



## Maximum and Minimum Application Size

### *a) For Retail Individual Bidders:*

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 2,00,000.

### *b) For Other Bidders (Non-Institutional Bidders and QIBs):*

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs.2,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid.** The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

## INFORMATION FOR THE BIDDERS

- a. Our Company shall file the Red Herring Prospectus with the RoC at least three working days before the Bid / Issue Opening Date.
- b. Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c. The Price Band as decided by our Company in consultation with the Book Running Lead Manager is Rs. [●] per Equity Share. The Floor Price of Equity Shares is Rs. [●] per Equity Share and the Cap Price is Rs. [●] per Equity Share and the minimum bid lot is of [●] Equity Shares. Our Company shall also announce the Price Band at least one Working Days before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation.
- d. This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement shall be disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and shall also be pre-filled in the Bid Cum Application forms available on the websites of the stock exchanges.
- e. The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.

**The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the ASBA Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the ASBA Form is liable to be rejected.**



#### **OPTION TO SUBSCRIBE IN THE ISSUE**

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single Bid cum 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 and applicable law

#### **AVAILABILITY OF RED HERRING PROSPECTUS AND ASBA FORM**

Copies of the ASBA Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date.

#### **APPLICATIONS BY ELIGIBLE NRI'S/RFPI's ON REPATRIATION BASIS**

Copies of the ASBA Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date.

#### **PARTICIPATION BY ASSOCIATED/AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### **APPLICATIONS BY ELIGIBLE NRI'S**

NRIs may obtain copies of ASBA Form from the office of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the ASBA Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the ASBA Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the ASBA Form meant for Non-Residents (blue in colour)

#### **BIDS BY FPI INCLUDING FIIs**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of



its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the ASBA Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the ASBA Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the ASBA Form for Non-Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.



The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public issueing.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public issueing of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.**

#### **BIDS BY MUTUAL FUNDS**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in 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.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the ASBA Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the ASBA Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the ASBA Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:





- 1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, 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 ASBA Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the ASBA Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the ASBA Form.
- c) With respect to Bids made by provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the ASBA Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the ASBA Form
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the ASBA Form, subject to such terms and conditions that our Company and the BRLM may deem fit.

**The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits**



or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 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 ASBA Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

**The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.**

#### **BIDS BY BANKING COMPANY**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the ASBA Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Circular dated July 1, 2015 – Para-banking Activities, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

#### **BIDS BY SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.





2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

## **TERMS OF PAYMENT**

### **Terms of Payment**

The entire Issue price of Rs. [●] per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Bidders 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, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism for Bidders**

The Bidders shall specify the bank account number in the ASBA Form and the SCSBs shall block an amount equivalent to the Bid cum Application Amount in the bank account specified in the ASBA Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the ASBA 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 finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the bid cum application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

## **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

- a) Our Company has entered into an Underwriting agreement dated September 27, 2016.
- b) A copy of the Red Herring Prospectus and Prospectus will be filed with the RoC in terms of Section 26 and Section 32 of the Companies Act.

## **PRE- ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring 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. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.



## ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS

Our Company will issue a statutory advertisement after the filing of the Red Herring Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

## GENERAL INSTRUCTIONS

*Do's:*

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the ASBA Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your ASBA Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the ASBA Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the ASBA Form;
7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the ASBA Forms;
8. Ensure that the name(s) given in the ASBA Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the ASBA Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
9. Ensure that you request for and receive a stamped acknowledgement of the ASBA Form for all your Bid options;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA 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);
11. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;



13. Ensure that the Demographic Details are updated, true and correct in all respects;
14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
15. Ensure that the category and the investor status is indicated;
16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
17. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
18. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their ASBA Form and entered into the online FPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the ASBA Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the ASBA Form;
19. Ensure that the Bid Cum Application forms are delivered by the Bidders within the time prescribed as per the ASBA Form and the Red Herring Prospectus;
20. Ensure that you have mentioned the correct ASBA Account number in the ASBA Form;
21. Ensure that you have correctly signed the authorisation/undertaking box in the ASBA Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form at the time of submission of the Bid;
22. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your ASBA Form; and

The ASBA Form is liable to be rejected if the above instructions, as applicable, are not complied with.

*Dont's:*

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand or by postal order or by stock invest;
4. Do not send Bid Cum Application forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid Cum Application forms to any non-SCSB bank or our Company;
6. Do not Bid on a ASBA Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding Rs. 200,000 (for Bids by Retail Individual Bidders);



10. Do not fill up the ASBA Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid Cum Application forms or on Bid Cum Application forms in a colour prescribed for another category of Bidder;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit more than five Bid Cum Application forms per ASBA Account;
17. The ASBA Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the ASBA Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

#### **COMMUNICATIONS**

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, ASBA Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of ASBA Form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.



Bidders can contact the Compliance Officer or the Registrar in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

## **IMPERSONATION**

*Attention of the Bidders 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.”*

## **UNDERTAKINGS BY THE COMPANY**

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the 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 within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;;
4. That our Promoter’s contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
7. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. If our Company withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
9. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.



## **UTILIZATION OF THE ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

1. all monies received out of the issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the issue referred above 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 our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations 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 all the Stock Exchanges where listing is sought has been received.

The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

## **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 is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated August 26, 2014 among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated August 19, 2014 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no INE196R01012





## 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, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders should rely on their own examination of the Issue and the Issuer, and should carefully read the Red Herring prospectus before investing in the Issue.*

#### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through the Book-Building Process as well as to the Fixed Price Issue. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders 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 (“SEBI ICDR Regulations, 2009”).

Bidders should note that investment in equity and equity related securities involves risk and Bidder 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 should carefully read the entire RHP/Prospectus and the ASBA Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Bidders may refer to the section “Glossary and Abbreviations”.

#### SECTION 2: BRIEF INTRODUCTION TO IPOs/ FPO ON SME EXCHANGE

##### 2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the Red herring Prospectus/ Prospectus.

##### 2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for further subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.





For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M(2) of Chapter XB of SEBI (ICDR) Regulation.

### **2.3 OTHER ELIGIBILITY REQUIREMENTS**

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

### **2.4 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND Book Built Issues**

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built issues**”) or undertake a Fixed Price Issue (“**Fixed Price Issues**”). 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 RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-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 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/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Offer Period not exceeding 10



Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard

## **2.6 MIGRATION TO MAIN BOARD**

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

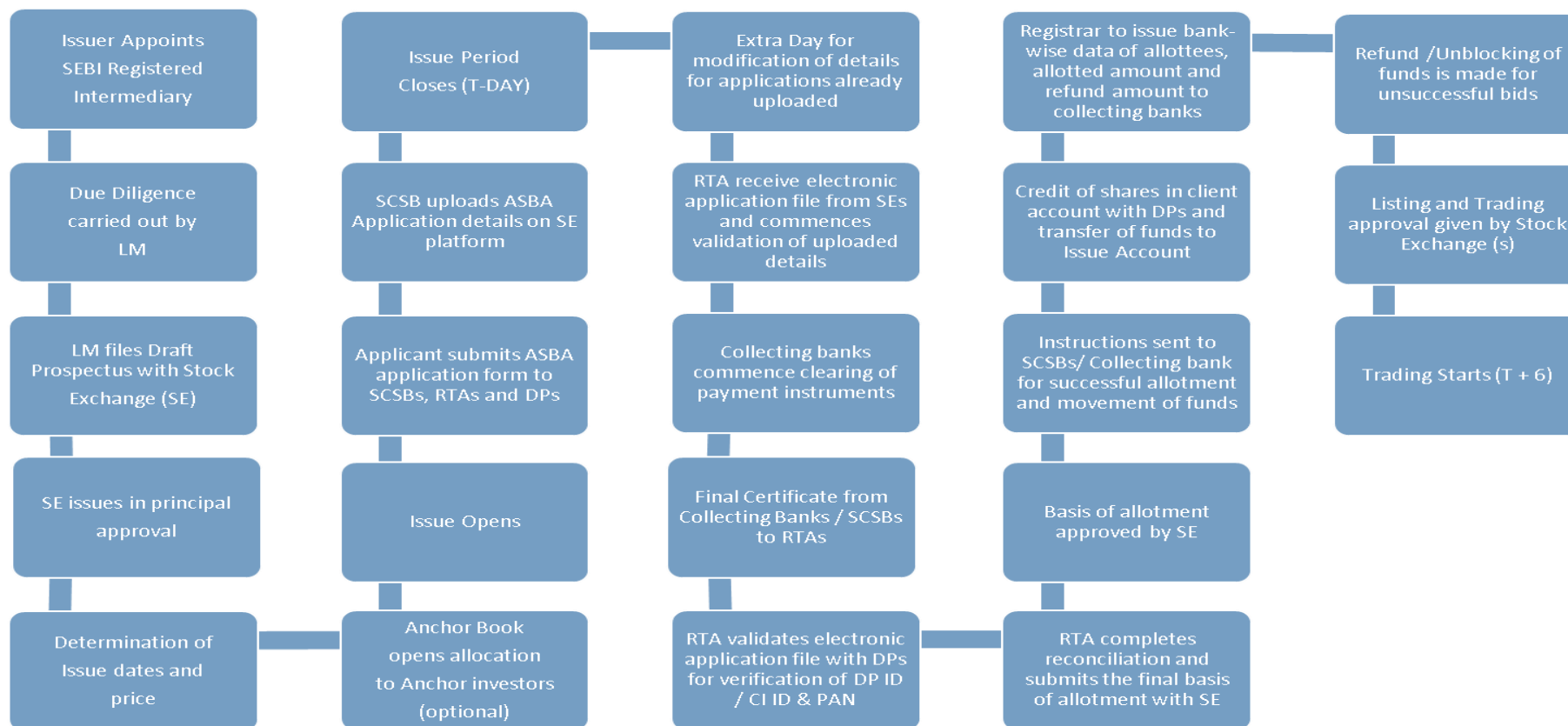
- (a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter 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), the Company shall apply to SE for listing of its 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 Rs. 25 crores, the Company 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 Promoter 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.

## **2.7 FLOWCHART OF TIMELINES**

A flow chart of process flow in Fixed Price and Book Built Issues is as follows





### SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

*Each Bidders should check whether it is eligible to apply under applicable law.* Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply 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 for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidders should specify that the Bid is being made in the name of the HUF in the ASBA Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.



## SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the book running lead managers, the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

**Fixed Price Issue:** Applicants should only use the specified cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum

Application Form for various categories of Bidders/Applicants is as follows:

| Category  | Colour of the ASBA (Excluding downloaded forms from SE website) |
|---|---|
| Resident Indian, Eligible NRIs applying on a non repatriation basis                 | White   |
| Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis | Blue  |
| Anchor Investors (where applicable) & Bidders applying in the reserved category     | Not Applicable  |

Securities issued in FPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

### 4.1 INSTRUCTIONS FOR FILING THE ASBA FORM/APPLICATION FORM

Bidders may note that forms not filled completely or correctly as per instructions provided in this GUID, the RHP and the ASBA Form/ Application Form are liable to be rejected.

Instructions to fill each field of the ASBA Form can be found on the reverse side of the ASBA Form. Specific instructions for filling various fields of the Resident ASBA Form and Non-Resident ASBA Form and samples are provided below.

The samples of the ASBA Form for resident Bidders and the ASBA Form for non- resident Bidders are reproduced below:



**R ASBA Form**

| <p><b>COMMON BID CUM APPLICATION FORM</b></p>   | <p><b>MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - FURTHER PUBLIC ISSUE - R</b><br/>         Registered Office: 2nd, Floor, Kalpak Arcade, Number 46/17, Church Street, Bengaluru - 560 001, Karnataka<br/>         Tel. No.: +91 80 41757500, Fax No.:+91 80 41757500, E-mail: info@mrssindia.com website: www.mrssindia.com<br/>         CIN: L72200KA2012PLC063818</p>   | <p><b>FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b></p>  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
|---|---|--|---|----------|----------|----------------------|---|---|--|-----------------|--|--|--|--------------------|------------------------------|--|------------------------------|--|---|---|---|---|---|---|---|-----------|-----------------|-----------|--|--|----------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|---------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|---------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|---|
| <p><b>To,</b><br/> <b>The Board of Directors</b><br/> <b>MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED</b></p>   | <p><b>BOOK BUILT ISSUE</b><br/> <b>ISIN-INE 196R01012</b></p>   | <p><b>Bid Cum Application Form No.</b> _____</p>   |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p><b>SYNDICATE MEMBER'S STAMP &amp; CODE</b></p>   | <p><b>BROKER'S / SCSB / CDP / RTA STAMP &amp; CODE</b></p>  | <p><b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST BIDDER</b><br/>         Mr./Ms./M/s. _____<br/>         Address _____<br/>         Email _____<br/>         Tel. No (with STD code) / Mobile _____</p> |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p><b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b></p>   | <p><b>ESCROW BANK / SCSB BRANCH STAMP &amp; CODE</b></p>  | <p><b>2. PAN OF SOLE / FIRST BIDDER</b></p>  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p><b>BANK BRANCH SERIAL NO.</b></p>  | <p><b>SCSB SERIAL NO.</b></p>   | <p><b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b>    <input type="checkbox"/> NSDL    <input type="checkbox"/> CDSL</p>   |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p><b>For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.</b></p>   |   |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p><b>4. BID OPTIONS (Only Retail individual Bidders can BID at "Cut-Off")</b></p> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th colspan="8">No. of Equity Shares Bid (In Figures)<br/>(Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="6">Price per Equity Share (₹) / *Cut-off*</th> <th rowspan="2">*Cut-Off*<br/>(Please ✓/tick)</th> </tr> <tr> <th>8</th><th>7</th><th>6</th><th>5</th><th>4</th><th>3</th><th>2</th><th>1</th> <th>Bid Price</th><th>Retail Discount</th><th colspan="3">Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>(OR) Option 2</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>(OR) Option 3</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </tbody> </table> |   | Bid Options  | No. of Equity Shares Bid (In Figures)<br>(Bids must be in multiples of Bid Lot as advertised) |          |          |                      |   |   |  |                 | Price per Equity Share (₹) / *Cut-off* |  |  |                    |                              |  | *Cut-Off*<br>(Please ✓/tick) | 8  | 7 | 6 | 5 | 4 | 3 | 2 | 1 | Bid Price | Retail Discount | Net Price |  |  | Option 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (OR) Option 2 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (OR) Option 3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | <p><b>5. CATEGORY</b></p> <p><input type="checkbox"/> Retail Individual Bidder</p> <p><input type="checkbox"/> Non Institutional Bidder</p> <p><input type="checkbox"/> QIB</p> |
| Bid Options   | No. of Equity Shares Bid (In Figures)<br>(Bids must be in multiples of Bid Lot as advertised)   |  |   |          |          |                      |   |   | Price per Equity Share (₹) / *Cut-off* |                 |  |  |  |                    | *Cut-Off*<br>(Please ✓/tick) |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
|   | 8   | 7  | 6   | 5        | 4        | 3                    | 2 | 1 | Bid Price                              | Retail Discount | Net Price                              |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| Option 1  |   |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| (OR) Option 2   |   |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| (OR) Option 3   |   |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p><b>6. INVESTOR STATUS</b></p> <p><input type="checkbox"/> Individual(s) - IND</p> <p><input type="checkbox"/> Hindu Undivided Family* - HUF</p> <p><input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis)</p> <p><input type="checkbox"/> Bodies Corporate - CO</p> <p><input type="checkbox"/> Banks &amp; Financial Institutions - FI</p> <p><input type="checkbox"/> Mutual Funds - MF</p> <p><input type="checkbox"/> National Investment Funds - NIF</p> <p><input type="checkbox"/> Insurance Funds - IF</p> <p><input type="checkbox"/> Insurance Companies - IC</p> <p><input type="checkbox"/> Venture Capital Funds - VCF</p> <p><input type="checkbox"/> Alternate Investment Funds - AIF</p> <p><input type="checkbox"/> Others (Please Specify) - OTH</p> <p><small>*HUF Should apply only through Karta (Application by HUF would be treated on par with individual)</small></p>   |   |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p><b>7. PAYMENT DETAILS</b>    <b>PAYMENT OPTION : Full Payment</b> <input type="checkbox"/></p> <p>Amount Paid (₹ in Figures) _____ (₹ in words) _____</p> <p>ASBA Bank A/c No. _____</p> <p>Bank Name &amp; Branch _____</p>   |   |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p><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 ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("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></p>   |   |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p><b>8A. SIGNATURE OF SOLE / FIRST BIDDER</b></p> <p>Date: _____, 2016</p>   | <p><b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDERS (AS PER BANK RECORDS)</b><br/> <small>I/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer.</small></p> <p>1) _____</p> <p>2) _____</p> <p>3) _____</p>   | <p><b>SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b></p>  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p>TEAR HERE</p>  |   |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p><b>MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - FURTHER PUBLIC ISSUE - R</b></p>   | <p><b>Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA</b></p>   | <p><b>Bid Cum Application Form No.</b> _____</p>   |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p><b>DPID / CLID</b> _____</p>   | <p><b>PAN of Sole / First Bidder</b> _____</p>  |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p>Amount Blocked (₹ in figures) _____ ASBA A/c. No. _____</p> <p>Bank &amp; Branch _____</p> <p>Received from Mr./Ms./M/s. _____</p> <p>Telephone / Mobile _____ Email _____</p>   | <p><b>Stamp &amp; Signature of SCSB Branch</b></p>  |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p>TEAR HERE</p>  |   |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| <p><b>MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - FURTHER PUBLIC ISSUE - R</b></p>   | <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> </thead> <tbody> <tr> <td>No. of Equity Shares</td> <td></td><td></td><td></td> </tr> <tr> <td>Bid Price</td> <td></td><td></td><td></td> </tr> <tr> <td>Amount Blocked (₹)</td> <td></td><td></td><td></td> </tr> </tbody> </table> <p>ASBA Bank A/c No.: _____</p> <p>Bank &amp; Branch: _____</p> |  | Option 1  | Option 2 | Option 3 | No. of Equity Shares |   |   |  | Bid Price       |  |  |  | Amount Blocked (₹) |                              |  |                              | <p><b>Stamp &amp; Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA</b></p> <p><b>Name of Sole / First Bidder</b> _____</p> <p><b>Acknowledgment Slip for Bidder</b></p> <p><b>Bid Cum Application Form No.</b> _____</p> |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
|   | Option 1  | Option 2   | Option 3  |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| No. of Equity Shares  |   |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| Bid Price   |   |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
| Amount Blocked (₹)  |   |  |   |          |          |                      |   |   |  |                 |  |  |  |                    |                              |  |                              |  |   |   |   |   |   |   |   |           |                 |           |  |  |          |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |

MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED [ ]

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NR ASBA Form

|   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
|---|---|--|---|--|---|------------------|---|---|---|---|---|---|---|---|---|----------------------------------|--|--|--|
| <b>COMMON BID CUM APPLICATION FORM</b>  |   | <b>MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - FURTHER PUBLIC ISSUE - NR</b><br>Registered Office: 2nd, Floor, Kalpak Arcade, Number 46/17, Church Street, Bengaluru - 560 001, Karnataka<br>Tel. No.: +91 80 41757500; Fax No.: +91 80 41757500; E-mail: info@mrssindia.com website: www.mrssindia.com<br>CIN: L72200KA2012PLC063818 |   | <b>FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS</b>    |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| To, The Board of Directors MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED   |   | <b>BOOK BUILT ISSUE</b><br>ISIN-INE 196R01012  |   | <b>Bid Cum Application Form No.</b>  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>  |   | <b>BROKER'S / SCSB / CDP / RTA STAMP &amp; CODE</b>  |   | <b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST BIDDER</b>  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
|   |   |  |   | Mr./Ms./M/s. _____   |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>  |   | <b>ESCROW BANK / SCSB BRANCH STAMP &amp; CODE</b>  |   | Address _____  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
|   |   |  |   | Email _____  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <b>BANK BRANCH SERIAL NO.</b>   |   | <b>SCSB SERIAL NO.</b>   |   | Tel. No (with STD code) / Mobile _____   |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
|   |   |  |   | <b>2. PAN OF SOLE / FIRST BIDDER</b>   |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
|   |   |  |   | _____  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <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.   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <b>4. BID OPTIONS (Only Retail individual Bidders can BID at "Cut-Off")</b>   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <b>Bid Options</b>  | <b>No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</b> | <b>Price per Equity Share (₹) / *Cut-off*</b>  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
|   |   | <b>Bid Price</b>   |   | <b>Retail Discount</b>   |   | <b>Net Price</b> |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
|   |   | 8  | 7 | 6  | 5 | 4                | 3 | 2 | 1 | 3 | 2 | 1 | 3 | 2 | 1 | <b>*Cut-Off* (Please ✓/Tick)</b> | <input type="checkbox"/> Retail Individual Bidder<br><input type="checkbox"/> Non Institutional Bidder<br><input type="checkbox"/> QIB |  |  |
| Option 1  |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| (OR) Option 2   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| (OR) Option 3   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <b>5. CATEGORY</b>  |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <input type="checkbox"/> Foreign Venture Capital Investor   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <input type="checkbox"/> Foreign Portfolio Investor   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <input type="checkbox"/> Others (Please Specify)  |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <b>6. INVESTOR STATUS</b>   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <input type="checkbox"/> Non-Resident Indian(s) (Repatriation basis)  |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <input type="checkbox"/> FII or Sub Account not a Corporate/ Foreign Individual   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <input type="checkbox"/> FII Sub Account Corporate/Individual   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <input type="checkbox"/> Foreign Venture Capital Investor   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <input type="checkbox"/> Foreign Portfolio Investor   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <input type="checkbox"/> Others (Please Specify)  |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <b>7. PAYMENT DETAILS</b> <b>PAYMENT OPTION : Full Payment</b>  |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| Amount Paid (₹ in Figures) _____ (₹ in words) _____   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| ASBA Bank A/c No. _____   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| Bank Name & Branch _____  |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| _____   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS (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. |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| <b>8A. SIGNATURE OF SOLE / FIRST BIDDER</b>   |   | <b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b><br>I/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer.  |   | <b>SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid In Stock Exchange system)</b> |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| Date: _____, 2016   |   | 1) _____<br>2) _____<br>3) _____   |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| TEAR HERE   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - FURTHER PUBLIC ISSUE - NR  |   | <b>Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA</b>   |   | <b>Bid Cum Application Form No.</b>  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| DPID / CLID _____   |   | PAN of Sole / First Bidder _____   |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| Amount Blocked (₹ in figures) _____ ASBA A/c No. _____  |   | Stamp & Signature of SCSB Branch   |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| Bank & Branch _____   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| Received from Mr./Ms./M/s. _____  |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| Telephone / Mobile _____ Email _____  |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| TEAR HERE   |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - FURTHER PUBLIC ISSUE - NR  |   | Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA   |   | <b>Name of Sole / First Bidder</b>   |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| No. of Equity Shares  |   | Option 1   |   | Option 2   |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| Bid Price   |   | Option 3   |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| Amount Blocked (₹)  |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| ASBA Bank A/c No.:  |   |  |   | <b>Acknowledgment Slip for Bidder</b>  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| Bank & Branch:  |   |  |   | <b>Bid Cum Application Form No.</b>  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |
| MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED  |   |  |   |  |   |                  |   |   |   |   |   |   |   |   |   |                                  |  |  |  |

FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER

a) Bidders 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 should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Bidders should note that the contact details mentioned in the ASBA Form/ Application Form may be used to dispatch communications) 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 ASBA Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- c) **Joint Bids:** In the case of Joint Bids, the Bids should be made in the name of the Bidder 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 would be required in the ASBA Form/ Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the ASBA Form/ Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- d) **Impersonation:** Attention of the Bidders is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:
- Any person who:
- *makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or*
  - *makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
  - *otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,*
- Shall be liable for action under section 447 of the said Act.*
- e) **Nomination Facility to Bidder:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

#### **4.1.1 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST BIDDER**

- a) PAN (of the sole/first Bidder) provided in the ASBA Form/Application Form should be exactly the same as the PAN of the person in whose sole or first 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 on behalf of the Central or State Government, Bids by officials appointed by the courts and Bids by Bidders residing in Sikkim ("PAN Exempted Bidders"). Consequently, all Bidders, other than the PAN Exempted Bidders, are required to disclose their PAN in the ASBA Form Form, irrespective of the Bid Amount. Bids by the Bidders 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 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.

#### **4.1.2 FIELD NUMBER 3: BIDDERS DEPOSITORY ACCOUNT DETAILS**

- a) Bidder should ensure that DP ID and the Client ID are correctly filled in the ASBA Form. The DP ID and Client ID provided in the ASBA Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the ASBA Form is liable to be rejected.**
- b) Bidder should ensure that the beneficiary account provided in the ASBA Form is active.
- c) Bidder should note that on the basis of DP ID and Client ID as provided in the ASBA 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 as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to the issue.
- d) Bidder 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’ sole risk.

#### **4.1.3 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 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 FPOs undertaken through the Book Building Process. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Bid 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 Bid value is within the range of above Rs.1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid value.
- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the



minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP or the advertisement regarding the Price Band published by the Issuer.

#### **4.1.4.1 Maximum and Minimum Bid Size**

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.
- b) In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 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.
- e) RII may revise or withdraw their bids until Bid/Offer Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- f) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least Rs 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor 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 Offer Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the issue size.
- i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of



the issue Price, the number of Equity Shares Bid for by a Bidder at or above the issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process.

#### **4.1.4.2 Multiple Bids**

(a) Bidder should submit only one ASBA Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the ASBA Form and such options are not considered as multiple Bids. Submission of a second ASBA Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid Cum Application forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. 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.

ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid Cum Application forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.

ii. 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.

iii. 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.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

#### **4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.

(b) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders may refer to the RHP.

(c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the RHP.

#### **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 Bidder, such as NRIs, FPIs and FVCIs may not be allowed to Bid/apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the Red Herring 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 ASBA Form and Non-Resident ASBA Form.
- (d) Bidders should ensure that their investor status is updated in the Depository records.

#### **4.1.4 FIELD 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 discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the ASBA Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP 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 ASBA Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount issued, if any.
- (b) Bid Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- (c) Bidders who Bid at Cut-off Price shall DEPOSIT the Bid Amount based on the Cap Price.
- (d) All Bidders can participate in the Issue only through the ASBA mechanism.
- (e) Please note that, providing bank account details in the space provided in the ASBA Form is mandatory and Applications that do not contain such details are liable to be rejected.

##### **4.1.4.1 Payment instructions for Bidders**

- a) Bidders may submit the ASBA Form either
  - i. in electronic mode through the internet banking facility issued by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the ASBA Form, or
  - ii. in physical mode to any Designated Intermediary.
- b) 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, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- c) 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.
- d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bid Cum Application forms can be submitted.
- f) Bidders should submit the ASBA Form only at the Bidding Centre 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
- g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that Bid Cum Application forms submitted to such Designated Intermediary 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 such Designated Intermediary, to deposit ASBA Forms.

- h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Form.
- j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the 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.
- k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.
- l) 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 Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs
- m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### **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 Bids transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the 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.
- (d) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bidders, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 6 Working Days of the Bid/Issue Closing Date.

#### **4.1.4.2 Discount (if applicable)**

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are



only eligible for discount. For Discounts issued in the Issue, Bidders may refer to the RHP/Prospectus.

- (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

#### **4.1.4.3 Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to block funds 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.

#### **4.1.5 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Bidder is required to sign the ASBA 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) In relation to the Bids, signature has to be correctly affixed in the authorization/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 must note that ASBA Form without signature of Bidder and /or ASBA Account holder is liable to be rejected.

#### **4.1.6 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the ASBA Form.
- (b) All communications in connection with Bid made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Bidders should contact the Registrar to the
  - ii. Issue.
  - iii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.
  - iv. Bidders may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
  - v. In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
  - vi. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker
  - vii. In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
  - viii. In case of Bids submitted to the DP, the Bidders should contact the relevant DP.

- (c) The following details (as applicable) should be quoted while making any queries -





- i. Full name of the sole or First Bidder, ASBA Form number, Bidder' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.
- ii. name and address of the Designated Intermediary, where the Bid was submitted; or

For further details, Bidder may refer to the Red Herring Prospectus and the ASBA Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- (a) During the Bid/Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise / withdraw their Bid till closure of the Bid/Issue period.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) 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 SCSB through which such Bidder had placed the original Bid.

A sample Revision form is reproduced below:



Revision Form – R

COMMON BID REVISION FORM MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - FURTHER PUBLIC ISSUE - R Registered Office: 2nd, Floor, Kalpak Arcade, Number 46/17, Church Street, Bengaluru – 560 001, Karnataka Tel. No.: +91 80 41757500, Fax No.: +91 80 41757500, E-mail: info@mrssindia.com website: www.mrssindia.com CIN: L72200KA2012PLC063818 FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

Form section containing stamp areas for Syndicate Member, Sub-Broker, and Bank Branch, along with fields for Bid Cum Application Form No., Name & Contact Details, PAN, and Bidder's Depository Account Details.

PLEASE CHANGE MY BID

Table 4: FROM (AS PER LAST BID OR REVISION). Columns include Bid Options, No. of Equity Shares Bid, Bid Price, Retail Discount, Net Price, and Cut-off.

Table 5: TO (REVISED BID). Columns include Bid Options, No. of Equity Shares Bid, Bid Price, Retail Discount, Net Price, and Cut-off.

Form section 6: PAYMENT DETAILS. Includes fields for Additional Amount Paid, ASBANK A/c No., and Bank Name & Branch.

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("GID") AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERTAKING AS GIVEN OVERLEAF.

Form section 7: SIGNATURE OF SOLE / FIRST BIDDER. Includes fields for signature, date, and ASBA Bank Account Holder's signature.

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Form section containing Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA and Bid Cum Application Form No.

Form section containing DPID/CLID, Additional Amount Blocked, ASBA A/c No., and Stamp & Signature of SCSB Branch.

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Form section containing Bid Revision Summary table with columns for Option 1, Option 2, Option 3, Bid Price, and Additional Amount Blocked.

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**Revision Form – NR**

|                                 |  |   |
|---------------------------------|--|---|
| <b>COMMON BID REVISION FORM</b> | <b>MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - FURTHER PUBLIC ISSUE - NR</b><br>Registered Office: 2nd, Floor, Kalpak Arcade, Number 46/17, Church Street, Bengaluru - 560 001, Karnataka<br>Tel. No.: +91 80 41757500, Fax No.: +91 80 41757500, E-mail: info@mrsindia.com website: www.mrsindia.com<br>CIN: L72200KA2012PLC063818 | <b>FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS</b> |
|---------------------------------|--|---|

|  |   |                                     |
|--|---|-------------------------------------|
| <b>m</b><br>To, The Board of Directors<br>MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED | <b>BOOK BUILT ISSUE</b><br>ISIN-INE 196R01012 | <b>Bid Cum Application Form No.</b> |
|--|---|-------------------------------------|

|  |   |  |
|--|---|--|
| <b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>       | <b>BROKER'S / SCSEB / DP / RTA STAMP &amp; CODE</b> | <b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST BIDDER</b><br>Mr./Ms./M/s. _____<br>Address _____<br>Email _____<br>Tel. No (with STD code) / Mobile _____  |
| <b>SUB-BROKER'S/SUB-AGENT'S STAMP &amp; CODE</b> | <b>ESCROW BANK / SCSEB BRANCH STAMP &amp; CODE</b>  | <b>2. PAN OF SOLE / FIRST BIDDER</b>   |
| <b>BANK BRANCH SERIAL NO.</b>                    | <b>SCSEB SERIAL NO.</b>                             | <b>3. BIDDERS DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL<br>For NSDL, enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL, enter 16 Digit Client ID |

PLEASE CHANGE MY BID

| Bid Options   | No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (in Figures) |   |   |   |   |   |   |   |           | Price per Equity Share (₹) / "Cut-off" (In Figures) |           |  |                          | "Cut-off" (Please ✓ tick) |
|---------------|--|---|---|---|---|---|---|---|-----------|---|-----------|--|--------------------------|---------------------------|
|               | 8  | 7 | 6 | 5 | 4 | 3 | 2 | 1 | Bid Price | Retail Discount, if any                             | Net Price |  |                          |                           |
| Option 1      |  |   |   |   |   |   |   |   |           |   |           |  | <input type="checkbox"/> |                           |
| (OR) Option 2 |  |   |   |   |   |   |   |   |           |   |           |  | <input type="checkbox"/> |                           |
| (OR) Option 3 |  |   |   |   |   |   |   |   |           |   |           |  | <input type="checkbox"/> |                           |

| Bid Options   | No. of Equity Shares Bid (in Figures) (Bids must be in multiples of Bid Lot as advertised) |   |   |   |   |   |   |   |           | Price per Equity Share (₹) / "Cut-off" (In Figures) |           |  |                          | "Cut-off" (Please ✓ tick) |
|---------------|--|---|---|---|---|---|---|---|-----------|---|-----------|--|--------------------------|---------------------------|
|               | 8  | 7 | 6 | 5 | 4 | 3 | 2 | 1 | Bid Price | Retail Discount, if any                             | Net Price |  |                          |                           |
| Option 1      |  |   |   |   |   |   |   |   |           |   |           |  | <input type="checkbox"/> |                           |
| (OR) Option 2 |  |   |   |   |   |   |   |   |           |   |           |  | <input type="checkbox"/> |                           |
| (OR) Option 3 |  |   |   |   |   |   |   |   |           |   |           |  | <input type="checkbox"/> |                           |

|  |       |                                      |
|--|-------|--------------------------------------|
| <b>6. PAYMENT DETAILS</b>                                      |       | <b>PAYMENT OPTION : Full Payment</b> |
| Additional Amount Paid (₹ in Figures) _____ (₹ in words) _____ |       |                                      |
| ASBANK A/c No.   | _____ |                                      |
| Bank Name & Branch   | _____ |                                      |

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("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.

|  |   |   |
|--|---|---|
| <b>7 A. SIGNATURE OF SOLE / FIRST BIDDER</b> | <b>7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b><br>I/We authorize the SCSEB to do all acts as are necessary to make the Application in the Offer<br>1) _____<br>2) _____<br>3) _____ | <b>SYNDICATE MEMBER/BROKER / SCSEB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b> |
| Date: _____, 2016                            |   |   |

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|  |   |                                     |
|--|---|-------------------------------------|
| <b>m</b><br>MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED - BID REVISION FORM - FURTHER PUBLIC ISSUE - NR | <b>Acknowledgement Slip for Syndicate Member Broker/SCSEB/CDP/RTA</b> | <b>Bid Cum Application Form No.</b> |
|--|---|-------------------------------------|

|  |                            |  |
|--|----------------------------|--|
| DPID / CLID                              | PAN of Sole / First Bidder |  |
| Additional Amount Blocked (₹ in figures) | ASBA A/c. No.              | <b>Stamp &amp; Signature of SCSEB Branch</b> |
| Bank & Branch                            |                            |  |
| Received from Mr./Ms.                    |                            |  |
| Telephone / Mobile                       | Email                      |  |

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|  |                                    |          |
|--|------------------------------------|----------|
| <b>Stamp &amp; Signature of Syndicate Member / Registered Broker / SCSEB / CDP / RTA</b> | <b>Name of Sole / First Bidder</b> |          |
| No. of Equity Shares   | Option 1                           | Option 2 |
| Bid Price  | Option 3                           |          |
| Additional Amount Blocked (₹)  |                                    |          |
| ASBA Bank A/c No.:   |                                    |          |
| Bank & Branch:   |                                    |          |
| <b>Acknowledgment Slip for Bidder</b>  |                                    |          |
| <b>Bid Cum Application Form No.</b>  |                                    |          |

**10 MAJESTIC RESEARCH SERVICES AND SOLUTIONS LIMITED**

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:



## **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.

### **4.2.1 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Bidder must also mention the details of shares applied/bid for given in his or her ASBA Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the ASBA 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 members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the ASBA Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

### **4.2.2 FIELD 6: PAYMENT DETAILS**

- a) All Bidders are required to make payment 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 ASBA Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount issued, 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 Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP. 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 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, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

#### **4.2.3 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 SUBMISSION OF REVISION FORM/ ASBA FORM /APPLICATION FORM**

#### **4.3.1 Bidders may submit completed ASBA form / Revision Form in the following manner:-**

| <b>Mode of Bid</b> | <b>Submission of ASBA Form</b>   |
|--------------------|--|
| All investors Bids | To the Bid cum Application Collecting Intermediaries as mentioned in the Red herring Prospectus/ ASBA Form |

Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidders had placed the original Bid.

### **SECTION 5: INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

This being book built issue procedure for fixed price issue is not applicable.

### **SECTION 6- ISSUE PROCEDURE IN BOOK BUILT ISSUE**

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

#### **6.1 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 NIIs 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.





## **6.2 ELECTRONIC REGISTRATION OF BIDS**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

## **6.3 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 BRLMs at the end of the Bid/Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

## **6.4 WITHDRAWAL OF BIDS**

- a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

## **6.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS**

- a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
  - 1) the Bids accepted by the Designated Intermediaries,
  - 2) the Bids uploaded by the Designated Intermediaries, and
  - 3) the Bid Cum Application forms accepted but not uploaded by the Designated Intermediaries.
- b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the ASBA Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.



- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

#### **GROUND OF REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the ASBA Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Submission of more than five ASBA Forms/Application Form as through a single ASBA Account
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- The amounts mentioned in the ASBA Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid Cum Application forms not delivered by the Bidder within the time prescribed as per the ASBA Forms, Bid/Issue Opening Date advertisement and the RHP and as per the instructions in the RHP and the ASBA Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the ASBA Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges; and
- Where no confirmation is received from SCSB for blocking of funds
- 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 ASBA Form/Application Form. Bids not duly signed by the sole/First Bidder;





- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Details of ASBA Account not provided in the ASBA Form

For details of instructions in relation to the ASBA Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE ASBA FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE ASBA FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI ICDR Regulations, 2009 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 ASBA Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- 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 BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders 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 Rs.20 to Rs 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.

| <b>Bid Quantity</b> | <b>Bid Amount (Rs.)</b> | <b>Cumulative Quantity</b> | <b>Subscription</b> |
|---------------------|-------------------------|----------------------------|---------------------|
| 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., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

## **SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

This being Book Built Issue, this section is not applicable for this Issue.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Issue for Sale of specified securities). However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

### **7.1 BASIS OF ALLOTMENT**

Allotment will be made in consultation with the SME Exchange of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category x number of Shares applied for).
- (b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - i. Each successful Bidder shall be allotted [●] equity shares; and
  - ii. The successful Bidder out of the total bidders for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- (d) If the proportionate allotment to an Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares issued, the final allotment may be higher at the sole



discretion of the Board of Directors, up to 110% of the size of the issue specified under the Capital Structure mentioned in this RHP.

- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Bidders as described below:
- i. As the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - ii. The balance net issue of shares to the public shall be made available for allotment to
    - individual bidders other than retails individual investors and
    - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
  - iii. The unsubscribed portion of the net issue to any one of the categories specified in a) or b) shall/may be made available for allocation to bidders in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director / Managing Director of BSE- the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

## 7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- (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) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

## SECTION 8: INTEREST AND REFUNDS

### 8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 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 DPs, and dispatch the Allotment Advice within 6 Working Days of the Bid/Issue Closing Date.

## **8.2 GROUNDS FOR REFUND**

### **8.2.1 NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the 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 repay, without interest, all moneys received from the Bidders in pursuance of the RHP/Prospectus.

If such money is not repaid within eight days 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 eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, 2013 and as disclosed in the RHP.

### **8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this issue document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

### **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 50 failing which the entire application monies may be refunded forthwith.

## **8.3 MODE OF REFUND**

Within 6 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 Bids and also for any excess amount blocked on Bids.

### **8.3.1 Mode of making refunds**

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

## **8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to



Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Bid/Issue Closing Date, if Allotment is not made



## SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

| Term   | Description   |
|--|---|
| Acknowledgement Slip                                   | The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.   |
| Allotment/ Allot/ Allotted                             | Unless the context otherwise requires, issue / allotment of Equity Shares pursuant to the Issue to successful Applicants.   |
| Allottee(s)  | Successful Bidders(s) to whom Equity Shares have been allotted/transferred.   |
| Allotment Advice                                       | Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.   |
| ASBA / Application Supported by Blocked Amount         | An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account  |
| Application Supported by Blocked Amount Form/ASBA Form | An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus.   |
| ASBA Account   | An account maintained with an SCSB and specified in the ASBA Form submitted by Bidders for blocking the Bid Amount mentioned in the ASBA Form   |
| ASBA Application Location(s) / Specified Cities        | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Surat and Ahmedabad  |
| Banker(s) to the Issue                                 | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public issue Account will be opened and in this case being ICICI Bank Ltd   |
| Basis of Allotment                                     | The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled “ <i>Issue Procedure</i> ” beginning on page 286 of this Red Herring Prospectus.  |
| Bid  | An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid Cum Application form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and ASBA Form |
| Bid Amount   | The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant up on submission of the Bid(except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount          |
| Bid cum Application Form                               | An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus  |



| <b>Term</b>                               | <b>Description</b>  |
|---|---|
| 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 Offer, which may be notified in an English national daily, a Hindi national daily and a regional language news paper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Closing Date |
| Bid/ Issue Opening Date                   | The date on which the Designated Intermediaries may start accepting Bids for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Opening Date.  |
| Bid/ Issue Period                         | The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.  |
| 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/Applicant should be construed to mean an Bidder/Applicant   |
| Book Building Process                     | Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made   |
| Book Running Lead Managers or BRLMs       | The book running lead managers to the Issue namely Pantomath capital Advisors Private Limited   |
| Broker Centres                            | Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid Cum Application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of BSE.   |
| Business Day                              | Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)   |
| CAN or Confirmation of Allocation Note    | The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/transferred , after approval of Basis of Allotment by the Designated Stock Exchange.  |
| Cap Price                                 | The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted  |
| Client ID                                 | Client Identification Number maintained with one of the Depositories in relation to demat account.  |
| Collecting Depository Participant or CDPs | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI   |
| Cut-off Price                             | Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLMs. Only Retail Individual   |





| Term                                 | Description  |
|--------------------------------------|--|
|                                      | Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.   |
| Controlling Branch/Designated Branch | Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time   |
| DP                                   | Depository Participant   |
| DP ID                                | Depository Participant's Identification Number   |
| Depositories                         | Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL  |
| Demographic Details                  | The demographic details of the Bidders such as their address, PAN, occupation and bank account details   |
| Designated Branches                  | Such branches of the SCSBs which may collect the Bid Cum Application forms used by Bidders/Applicants (exc Anchor Investor) and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>  |
| Designated Locations                 | CDP<br>Such locations of the CDPs where Bidders can submit the Bid Cum Application forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid Cum Application forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time |
| Designated Date                      | The date on which funds blocked by SCSB are transferred from the ASBA account to the Public Issue Account after filing of prospectus with RoC.   |
| Designated Intermediary(ies)         | Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect Bid Cum Application forms from the Bidders, in relation to the Issue  |
| Designated Locations                 | RTA<br>Such centres of the RTAs where Bidder can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time  |
| Designated Exchange                  | Stock<br>The designated stock exchange as disclosed in the Red herring prospectus/ Prospectus of the issuer  |
| Designated Locations                 | CDP<br>Such centres 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 Bid Cum Application forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time   |
| Discount                             | Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.   |
| Draft Red Herring Prospectus or DRHP | The Draft Red Herring Prospectus dated September 1, 2016 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the number of shares which will be allotted.  |



| Term   | Description   |
|--|---|
| Employees  | Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP  |
| Equity Shares  | Equity Shares of the Issuer   |
| Escrow Account   | Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may issue cheques or demand drafts or transfer money through NEFT or RTGS in respect of the Bid Amount when submitting a Bid   |
| Escrow Agreement   | Agreement to be entered into among the Issuer, the Registrar to the 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 |
| FCNR Account   | Foreign Currency Non-Resident Account   |
| First/sole Bidder  | Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names  |
| FII(s)   | Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India   |
| Fixed Price Issue / Fixed Price Process / Fixed Price Method | The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made  |
| Floor Price  | The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted  |
| FPIs   | Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014   |
| FPO  | Further public offer of up to [●] Equity Shares for cash at a price of [●] aggregating up to Rs. 1000.00 lakhs.   |
| 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  |
| Issuer/Company   | The Issuer proposing the initial public issue/further public offering as applicable   |
| Maximum RII Allottees  | The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot   |
| MICR   | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf  |
| Mutual Fund(s)   | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time  |
| 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 DRHP/RHP/Prospectus and ASBA   |



| Term                                | Description  |
|-------------------------------------|--|
|                                     | Form   |
| NEFT                                | National Electronic Fund Transfer  |
| NRE Account                         | Non-Resident External Account  |
| NRI                                 | NRIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the DRHP/RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares   |
| NRO Account                         | Non-Resident Ordinary Account  |
| Net Issue                           | The Issue less reservation portion   |
| Non-Institutional Investors or NIIs | All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)   |
| Non-Institutional Category          | The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the DRHP/RHP/Prospectus and the ASBA Form  |
| Non-Resident                        | A person resident outside India, as defined under FEMA and includes FIIs and FPIs  |
| 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   |
| Other Investors                     | The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)   |
| Issue Price                         | The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus The Issue Price will be decided by our Company in consultation with the BRLMs on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus   |
| PAN                                 | Permanent Account Number allotted under the Income Tax Act, 1961   |
| Price Band                          | Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation |
| Pricing date                        | The date on which our Company in consultation with the BRLMs, will finalise the Issue Price  |
| Prospectus                          | The Prospectus to be filed with the RoC on or after the Pricing Date in  |



| Term  | Description   |
|---|---|
|   | accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information   |
| Public Issue Account                        | Account opened with the Banker to the Issue i.e. ICICI Bank Ltd under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.  |
| Qualified Institutional Buyers or QIBs      | Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.   |
| RTGS  | Real Time Gross Settlement  |
| Red Herring Prospectus or RHP               | The Red Herring Prospectus dated November 16, 2016 to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the number of and price at which the Equity Shares will be issued and the size of the Issue, including any addenda or corrigenda thereto.<br>The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date |
| Refund Account(s)                           | The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.   |
| Refund Bank(s) / Refund Banker(s)           | Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited   |
| Refund through electronic transfer of funds | Refunds through NECS, direct credit, RTGS or NEFT, as applicable  |
| Registrar and Share Transfer Agents or RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI  |
| Registrar /Registrar to the Issue           | Registrar to the Issue, in this case being Bigshare Services Private Limited having registered office at E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri East, Mumbai– 400 072, India  |
| Reserved Category / Categories              | Categories of persons eligible for making Bids under reservation portion.   |
| Revision Form                               | Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid Cum Application forms or any previous Revision Form(s)  |
| Reservation Portion                         | The portion of the issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009  |
| RoC   | The Registrar of Companies  |
| SEBI  | The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992   |
| SEBI ICDR Regulations, 2009                 | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009   |



| Term                                  | Description  |
|---------------------------------------|--|
| SCSB/ Self Certified Syndicate Banker | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries</a> or at such other website as may be prescribed by SEBI from time to time  |
| Specified Locations                   | Bidding centres where the Syndicate shall accept Bid Cum Application forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time   |
| Stock Exchanges / SE                  | The stock exchanges as disclosed in the DRHP/RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed   |
| Syndicate or Members of the Syndicate | The BRLM and the Syndicate Members   |
| Syndicate Agreement                   | Agreement dated October 13 entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid Cum Application forms by Syndicate  |
| Syndicate Members                     | Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter.   |
| Underwriter                           | Pantomath Capital Advisors Private Limited   |
| Underwriting Agreement                | The agreement dated September 27, 2016 entered into between the Underwriter and our Company  |
| 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 the time period between (a) announcement of Price Band; and (b) Bid/Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays |



## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2016 (“**FDI Policy 2016**”), which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. Further, DIPP has issued Press note 5, dated June 24, 2016 which introduces few changes in FDI Policy 2016. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2016 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2016, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include (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 Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company





**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Red Herring Prospectus or otherwise in respect of the Bonds, in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Red Herring Prospectus or otherwise in respect of the Bonds. Any forwarding, distribution or reproduction of this document in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions of the Bonds and the information contained in this Red Herring Prospectus.**

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 Application 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 this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.





**SECTION VIII- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

| <b>Sr. No</b> | <b>Particulars</b>  |                                      |
|---------------|---|--------------------------------------|
| <b>1.</b>     | No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto. | <b>Table F Applicable.</b>           |
|               | <b>Interpretation Clause</b>  |                                      |
| <b>2.</b>     | In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:   |                                      |
|               | (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.  | <b>Act</b>                           |
|               | (b) “These Articles” means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.  | <b>Articles</b>                      |
|               | (c) “Auditors” means and includes those persons appointed as such for the time being of the Company.  | <b>Auditors</b>                      |
|               | (d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.  | <b>Capital</b>                       |
|               | (e) *“The Company” shall mean Majestic Research Services and Solutions Limited  |                                      |
|               | (f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.   | <b>Executor<br/>or Administrator</b> |
|               | (g) "Legal Representative" means a person who in law represents the estate of a deceased Member.  | <b>Legal Representative</b>          |
|               | (h) Words importing the masculine gender also include the feminine gender.  | <b>Gender</b>                        |
|               | (i) "In Writing" and “Written” includes printing lithography and other modes of representing or reproducing words in a visible form.  | <b>In Writing and Written</b>        |



| Sr. No | Particulars  |  |
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|        | (j) The marginal notes hereto shall not affect the construction thereof.   | <b>Marginal notes</b>  |
|        | (k) "Meeting" or "General Meeting" means a meeting of members.   | <b>Meeting or General Meeting</b>                                  |
|        | (l) "Month" means a calendar month.  | <b>Month</b>   |
|        | (m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.  | <b>Annual General Meeting</b>                                      |
|        | (n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.                            | <b>Extra-Ordinary General Meeting</b>                              |
|        | (o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.  | <b>National Holiday</b>  |
|        | (p) "Non-retiring Directors" means a director not subject to retirement by rotation.   | <b>Non-retiring Directors</b>                                      |
|        | (q) "Office" means the registered Office for the time being of the Company.  | <b>Office</b>  |
|        | (r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.   | <b>Ordinary and Special Resolution</b>                             |
|        | (s) "Person" shall be deemed to include corporations and firms as well as individuals.   | <b>Person</b>  |
|        | (t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney. | <b>Proxy</b>   |
|        | (u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.  | <b>Register of Members</b>   |
|        | (v) "Seal" means the common seal for the time being of the Company.  | <b>Seal</b>  |
|        | (w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.   | <b>Special Resolution</b>  |
|        | (x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.   | <b>Singular number</b>   |
|        | (y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.  | <b>Statutes</b>  |
|        | (z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.                                       | <b>These presents</b>  |
|        | (aa) "Variation" shall include abrogation; and "vary" shall include abrogate.  | <b>Variation</b>   |
|        | (bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.  | <b>Year and Financial Year</b>                                     |
|        | Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in      | <b>Expressions in the Act to bear the same meaning in Articles</b> |



| Sr. No | Particulars  |   |
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|        | force.   |   |
|        | <b>CAPITAL</b>   |   |
| 3.     | a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.   | <b>Authorized Capital.</b>  |
|        | b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.   |   |
| 4.     | The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act. | <b>Increase of capital by the Company how carried into effect</b> |
| 5.     | Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.   | <b>New Capital same as existing capital</b>                       |
| 6.     | The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.  | <b>Non Voting Shares</b>  |
| 7.     | Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.   | <b>Redeemable Preference Shares</b>                               |
| 8.     | The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights   | <b>Voting rights of preference shares</b>                         |



| Sr. No | Particulars   |   |
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|        | attached to his Preference Shares.  |   |
| 9.     | <p>On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p> | <b>Provisions to apply on issue of Redeemable Preference Shares</b> |
| 10.    | <p>The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>   | <b>Reduction of capital</b>   |
| 11.    | <p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment</p>   | <b>Debentures</b>   |



| Sr. No                              | Particulars  |   |
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|                                     | of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.   |   |
| 12.                                 | The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.   | <b>Issue of Sweat Equity Shares</b>                 |
| 13.                                 | The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.  | <b>ESOP</b>   |
| 14.                                 | 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.   | <b>Buy Back of shares</b>                           |
| 15.                                 | Subject to the provisions of Section 61of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. | <b>Consolidation, Sub-Division And Cancellation</b> |
| 16.                                 | Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.   | <b>Issue of Depository Receipts</b>                 |
| 17.                                 | Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.   | <b>Issue of Securities</b>                          |
| <b>MODIFICATION OF CLASS RIGHTS</b> |  |   |
| 18.                                 | (a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt,   | <b>Modification of rights</b>                       |



| <b>Sr. No</b> | <b>Particulars</b>   |  |
|---------------|--|--|
|               | <p>with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.</p>  |  |
| <b>19.</b>    | <p>(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.</p>   | <b>New Issue of Shares not to affect rights attached to existing shares of that class.</b> |
| <b>20.</b>    | <p>Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.</p> | <b>Shares at the disposal of the Directors.</b>  |
| <b>21.</b>    | <p>The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.</p>   | <b>Power to issue shares on preferential basis.</b>  |
| <b>22.</b>    | <p>The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.</p>  | <b>Shares should be Numbered progressively and no share to be subdivided.</b>              |
| <b>23.</b>    | <p>An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the</p>  | <b>Acceptance of Shares.</b>   |





| Sr. No | Particulars   |   |
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|        | meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.   |   |
| 24.    | Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid. | <b>Directors may allot shares as full paid-up</b>             |
| 25.    | The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.  | <b>Deposit and call etc.to be a debt payable immediately.</b> |
| 26.    | Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.  | <b>Liability of Members.</b>                                  |
| 27.    | Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.   | <b>Registration of Shares.</b>                                |
|        | <b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>   |   |
| 28.    | The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act  |   |
|        | <b>CERTIFICATES</b>   |   |
| 29.    | (a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer,              | <b>Share Certificates.</b>                                    |





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|            | <p>transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p> |  |
| <b>30.</b> | If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be  | <b>Issue of new certificates in place of those defaced, lost or destroyed.</b> |



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|        | <p>issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p> |   |
| 31.    | <p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p>   | <p><b>The first named joint holder deemed Sole holder.</b></p>  |
|        | <p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>   | <p><b>Maximum number of joint holders.</b></p>  |
| 32.    | <p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p>  | <p><b>Company not bound to recognize any interest in share other than that of registered holders.</b></p> |
| 33.    | <p>If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share</p>  | <p><b>Installment on shares to be duly paid.</b></p>  |



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|        | or his legal representative.  |                                       |
|        | <b>UNDERWRITING AND BROKERAGE</b>   |                                       |
| 34.    | Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other. | <b>Commission</b>                     |
| 35.    | The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.   | <b>Brokerage</b>                      |
| 36.    | <b>CALLS</b>  |                                       |
| 37.    | <p>(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p>                               | <b>Directors may make calls</b>       |
| 38.    | Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.  | <b>Notice of Calls</b>                |
| 39.    | A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.   | <b>Calls to date from resolution.</b> |
| 40.    | Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.   | <b>Calls on uniform basis.</b>        |
| 41.    | The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.   | <b>Directors may extend time.</b>     |



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| 42.    | If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.  | <b>Calls to carry interest.</b>  |
| 43.    | If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.  | <b>Sums deemed to be calls.</b>  |
| 44.    | On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. | <b>Proof on trial of suit for money due on shares.</b>                 |
| 45.    | Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.  | <b>Judgment, decree, partial payment motto proceed for forfeiture.</b> |
| 46.    | (a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums,   | <b>Payments in Anticipation of calls may carry interest</b>            |



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|        | <p>actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p> |  |
|        | <b>LIEN</b>  |  |
| 47.    | <p>The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p>  | <b>Company to have Lien on shares.</b> |
| 48.    | <p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the</p>   | <b>As to enforcing lien by sale.</b>   |



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|                   | <p>Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>  |   |
| <p><b>49.</b></p> | <p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.</p>  | <p><b>Application of proceeds of sale.</b></p>                      |
|                   | <p><b>FORFEITURE AND SURRENDER OF SHARES</b></p>   |   |
| <p><b>50.</b></p> | <p>If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.</p> | <p><b>If call or installment not paid, notice may be given.</b></p> |
| <p><b>51.</b></p> | <p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p> <p>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>  | <p><b>Terms of notice.</b></p>                                      |
| <p><b>52.</b></p> | <p>If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but</p>   | <p><b>On default of payment, shares to be forfeited.</b></p>        |





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|               | before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.   |  |
| <b>53.</b>    | When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.  | <b>Notice of forfeiture to a Member</b>  |
| <b>54.</b>    | Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.  | <b>Forfeited shares to be property of the Company and may be sold etc.</b>         |
| <b>55.</b>    | Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so. | <b>Members still liable to pay money owing at time of forfeiture and interest.</b> |
| <b>56.</b>    | The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.  | <b>Effect of forfeiture.</b>   |
| <b>57.</b>    | A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.   | <b>Evidence of Forfeiture.</b>   |
| <b>58.</b>    | The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.   | <b>Title of purchaser and allottee of Forfeited shares.</b>                        |
| <b>59.</b>    | Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of   | <b>Cancellation of share certificate in respect of forfeited shares.</b>           |





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|        | no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.  |  |
| 60.    | In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.   | <b>Forfeiture may be remitted.</b>   |
| 61.    | Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. | <b>Validity of sale</b>  |
| 62.    | The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.  | <b>Surrender of shares.</b>  |
|        | <b>TRANSFER AND TRANSMISSION OF SHARES</b>  |  |
| 63.    | (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.<br>(b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.  | <b>Execution of the instrument of shares.</b>  |
| 64.    | The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.<br>The instrument of transfer shall be in a common form approved by the Exchange;  | <b>Transfer Form.</b>  |
| 65.    | The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of  | <b>Transfer not to be registered except on production of instrument of transfer.</b> |



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|               | <p>transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.</p> |   |
| <b>66.</b>    | <p>Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—<br/>(a) any transfer of shares on which the company has a lien.</p>  | <b>Directors may refuse to register transfer.</b>                                     |
| <b>67.</b>    | <p>If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.</p>  | <b>Notice of refusal to be given to transferor and transferee.</b>                    |
| <b>68.</b>    | <p>No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.</p>   | <b>No fee on transfer.</b>  |
| <b>69.</b>    | <p>The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.</p>  | <b>Closure of Register of Members or debenture holder or other security holders..</b> |
| <b>70.</b>    | <p>The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.</p>  | <b>Custody of transfer Deeds.</b>   |



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| 71.    | Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.   | <b>Application for transfer of partly paid shares.</b> |
| 72.    | For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.  | <b>Notice to transferee.</b>                           |
| 73.    | <p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.<br/>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p> | <b>Recognition of legal representative.</b>            |
| 74.    | The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion  | <b>Titles of Shares of deceased Member</b>             |



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|               | thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.  |   |
| 75.           | Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.  | <b>Notice of application when to be given</b>   |
| 76.           | Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'. | <b>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</b> |
| 77.           | Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.   | <b>Refusal to register nominee.</b>   |
| 78.           | Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.   | <b>Board may require evidence of transmission.</b>  |
| 79.           | The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any   | <b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>           |



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|        | book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.   |  |
| 80.    | In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in SH-4 of the Companies (Share Capital and Debentures) Rules, 2014, hereof as circumstances permit.   | <b>Form of transfer Outside India.</b>       |
| 81.    | No transfer shall be made to any minor, insolvent or person of unsound mind.  | <b>No transfer to insolvent etc.</b>         |
|        | <b>NOMINATION</b>   |  |
| 82.    | <p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p> | <b>Nomination</b>                            |
| 83.    | <p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver</p>  | <b>Transmission of Securities by nominee</b> |



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|            | <p>or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p> |  |
| <b>84.</b> | <b>DEMATERIALIZATION OF SHARES</b>   |  |
| <b>85.</b> | Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.  | <b>Dematerialization of Securities</b>                                       |
|            | <b>JOINT HOLDER</b>  |  |
| <b>86.</b> | Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.  | <b>Joint Holders</b>   |
| <b>87.</b> | (a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.  | <b>Joint and several liabilities for all payments in respect of shares.</b>  |
|            | (b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;   | <b>Title of survivors.</b>   |
|            | (c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and  | <b>Receipts of one sufficient.</b>   |
|            | (d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.   | <b>Delivery of certificate and giving of notices to first named holders.</b> |
|            | <b>SHARE WARRANTS</b>  |  |
| <b>88.</b> | The Company may issue warrants subject to and in   | <b>Power to issue share</b>  |





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|  | <p>accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.</p>  | <b>warrants</b>  |
| <b>89.</b>                             | <p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p> | <b>Deposit of share warrants</b>                                   |
| <b>90.</b>                             | <p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>   | <b>Privileges and disabilities of the holders of share warrant</b> |
| <b>91.</b>                             | <p>The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.</p>   | <b>Issue of new share warrant coupons</b>                          |
| <b>CONVERSION OF SHARES INTO STOCK</b> |  |  |
| <b>92.</b>                             | <p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>  | <b>Conversion of shares into stock or reconversion.</b>            |
| <b>93.</b>                             | <p>The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock</p>   | <b>Transfer of stock.</b>  |





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|        | <p>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.</p>  |  |
| 94.    | <p>The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose. but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p>  | <p><b>Rights of stock holders.</b></p>                           |
| 95.    | <p>Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.</p>  | <p><b>Regulations.</b></p>                                       |
|        | <p><b>BORROWING POWERS</b></p>   |  |
| 96.    | <p>Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.</p> | <p><b>Power to borrow.</b></p>                                   |
| 97.    | <p>Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.</p>   | <p><b>Issue of discount etc. or with special privileges.</b></p> |
| 98.    | <p>The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board</p>  | <p><b>Securing payment or repayment of Moneys borrowed.</b></p>  |



| Sr. No             | Particulars   |   |
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|                    | <p>may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.</p> |   |
| <p><b>99.</b></p>  | <p>Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.</p>   | <p><b>Bonds, Debentures etc. to be under the control of the Directors.</b></p>              |
| <p><b>100.</b></p> | <p>If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.</p>  | <p><b>Mortgage of uncalled Capital.</b></p>   |
| <p><b>101.</b></p> | <p>Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.</p>   | <p><b>Indemnity may be given.</b></p>   |
|                    | <p><b>MEETINGS OF MEMBERS</b></p>   |   |
| <p><b>102.</b></p> | <p>All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.</p>  | <p><b>Distinction between AGM &amp; EGM.</b></p>  |
| <p><b>103.</b></p> | <p>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of</p>  | <p><b>Extra-Ordinary General Meeting by Board and by requisition</b></p>                    |
|                    | <p>(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to</p>  | <p><b>When a Director or any two Members may call an Extra Ordinary General Meeting</b></p> |



| Sr. No                  | Particulars   |  |
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|                         | increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.  |  |
| 104.                    | No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.  | <b>Meeting not to transact business not mentioned in notice.</b>         |
| 105.                    | The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.  | <b>Chairman of General Meeting</b>                                       |
| 106.                    | No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.   | <b>Business confined to election of Chairman whilst chair is vacant.</b> |
| 107.                    | <p>a) 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.</p> <p>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>c) 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.</p> <p>d) 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.</p> | <b>Chairman with consent may adjourn meeting.</b>                        |
| 108.                    | In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.  | <b>Chairman's casting vote.</b>  |
| 109.                    | Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.   | <b>In what case poll taken without adjournment.</b>                      |
| 110.                    | The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.  | <b>Demand for poll not to prevent transaction of other business.</b>     |
| <b>VOTES OF MEMBERS</b> |   |  |



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| 111.   | No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.  | <b>Members in arrears not to vote.</b>                              |
| 112.   | Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares. | <b>Number of votes each member entitled.</b>                        |
| 113.   | On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.  | <b>Casting of votes by a member entitled to more than one vote.</b> |
| 114.   | A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.  | <b>Vote of member of unsound mind and of minor</b>                  |
| 115.   | Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.  | <b>Postal Ballot</b>  |
| 116.   | A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.  | <b>E-Voting</b>   |
| 117.   | a) 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   | <b>Votes of joint members.</b>                                      |



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|        | <p>holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>  |  |
| 118.   | <p>Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles</p>  | <p><b>Votes may be given by proxy or by representative</b></p>                   |
| 119.   | <p>A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.</p> | <p><b>Representation of a body corporate.</b></p>                                |
| 120.   | <p>(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.</p>   | <p><b>Members paying money in advance.</b></p>                                   |
|        | <p>(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.</p>   | <p><b>Members not prohibited if share not held for any specified period.</b></p> |
| 121.   | <p>Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.</p>   | <p><b>Votes in respect of shares of deceased or insolvent members.</b></p>       |
| 122.   | <p>No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In</p>   | <p><b>No votes by proxy on show of hands.</b></p>                                |





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|                  | the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.  |  |
| 123.             | 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. | <b>Appointment of a Proxy.</b>   |
| 124.             | An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.  | <b>Form of proxy.</b>  |
| 125.             | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.   | <b>Validity of votes given by proxy notwithstanding death of a member.</b> |
| 126.             | 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.  | <b>Time for objections to votes.</b>                                       |
| 127.             | Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.  | <b>Chairperson of the Meeting to be the judge of validity of any vote.</b> |
| <b>DIRECTORS</b> |   |  |
| 128.             | Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution  | <b>Number of Directors</b>   |
| 129.             | A Director of the Company shall not be bound to hold any Qualification Shares in the Company.   | <b>Qualification shares.</b>   |
| 130.             | (a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time   | <b>Nominee Directors.</b>  |



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|             | <p>being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p> |  |
| <b>131.</b> | The Board may appoint an Alternate Director to act for a Director (hereinafter called “The Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.   | <b>Appointment of alternate Director.</b>        |
| 132.        | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.  | <b>Additional Director</b>                       |
| <b>133.</b> | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.  | <b>Directors power to fill casual vacancies.</b> |
| <b>134.</b> | Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for)  | <b>Sitting Fees.</b>                             |





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|        | shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.  |  |
| 135.   | The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.  | <b>Travelling expenses Incurred by Director on Company's business.</b>       |
|        | <b>PROCEEDING OF THE BOARD OF DIRECTORS</b>   |  |
| 136.   | (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.<br>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.  | <b>Meetings of Directors.</b>  |
| 137.   | a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.<br>b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time. | <b>Chairperson</b>   |
| 138.   | Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.  | <b>Questions at Board meeting how decided.</b>                               |
| 139.   | 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.  | <b>Continuing directors may act notwithstanding any vacancy in the Board</b> |
| 140.   | Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any  | <b>Directors may appoint committee.</b>                                      |



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|        | regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.   |   |
| 141.   | The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.  | <b>Committee Meetings how to be governed.</b>   |
| 142.   | a) A committee may elect a Chairperson of its meetings.<br>b) 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.   | <b>Chairperson of Committee Meetings</b>  |
| 143.   | a) A committee may meet and adjourn as it thinks fit.<br>b) 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.   | <b>Meetings of the Committee</b>  |
| 144.   | Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. | <b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b> |
|        | <b>RETIREMENT AND ROTATION OF DIRECTORS</b>  |   |
| 145.   | Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.  | <b>Power to fill casual vacancy</b>   |
|        | <b>POWERS OF THE BOARD</b>   |   |
| 146.   | The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no  | <b>Powers of the Board</b>  |



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|        | regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.  |  |
| 147.   | Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say  | <b>Certain powers of the Board</b>           |
|        | (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.  | <b>To acquire any property , rights etc.</b> |
|        | (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.   | <b>To take on Lease.</b>                     |
|        | (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.                     | <b>To erect &amp; construct.</b>             |
|        | (4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. | <b>To pay for property.</b>                  |
|        | (5) To insure and keep insured against loss or damage by   | <b>To insure properties of the</b>           |



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|               | fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.           | <b>Company.</b>                                      |
| (6)           | To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.  | <b>To open Bank accounts.</b>                        |
| (7)           | To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.  | <b>To secure contracts by way of mortgage.</b>       |
| (8)           | To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.  | <b>To accept surrender of shares.</b>                |
| (9)           | To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.  | <b>To appoint trustees for the Company.</b>          |
| (10)          | To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon. | <b>To conduct legal proceedings.</b>                 |
| (11)          | To act on behalf of the Company in all matters relating to bankruptcy insolvency.   | <b>Bankruptcy &amp; Insolvency</b>                   |
| (12)          | To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.  | <b>To issue receipts &amp; give discharge.</b>       |
| (13)          | Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section   | <b>To invest and deal with money of the Company.</b> |



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|        | 187 of the Act, all investments shall be made and held in the Company's own name.  |  |
| (14)   | To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;  | <b>To give Security by way of indemnity.</b> |
| (15)   | To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.  | <b>To determine signing powers.</b>          |
| (16)   | To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.  | <b>Commission or share in profits.</b>       |
| (17)   | To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.   | <b>Bonus etc. to employees.</b>              |
| (18)   | To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the | <b>Transfer to Reserve Funds.</b>            |



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|        | <p>Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.</p>   |   |
|        | <p>(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.</p>   | <p><b>To appoint and remove officers and other employees.</b></p> |
|        | <p>(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by</p> | <p><b>To appoint Attorneys.</b></p>                               |





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|        | the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.  |   |
|        | (21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.   | <b>To enter into contracts.</b>                         |
|        | (22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.   | <b>To make rules.</b>                                   |
|        | (23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.   | <b>To effect contracts etc.</b>                         |
|        | (24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests. | <b>To apply &amp; obtain concessions licenses etc.</b>  |
|        | (25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.   | <b>To pay commissions or interest.</b>                  |
|        | (26) To redeem preference shares.  | <b>To redeem preference shares.</b>                     |
|        | (27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.  | <b>To assist charitable or benevolent institutions.</b> |
|        | (28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.  |   |





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|        | (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.   |  |
|        | (30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.   |  |
|        | (31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.<br>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.<br>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.<br>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.<br>(35) To improve, manage, develop, exchange, lease, sell, |  |



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|        | <p>resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>  |   |
|        | <b>MANAGING AND WHOLE-TIME DIRECTORS</b>   |   |
| 148.   | <p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p> | <b>Powers to appoint Managing/ Wholetime Directors.</b> |
| 149.   | The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the   | <b>Remuneration of Managing or Wholetime Director.</b>  |



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|        | Company, or by participation in any such profits, or by any, or all of these modes.  |  |
| 150.   | <p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p> | <b>Powers and duties of Managing Director or Whole-time Director.</b>              |
|        | <b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>  |  |
| 151.   | a) Subject to the provisions of the Act,—<br>i. A chief executive officer, manager, company secretary or chief financial officer may be  | <b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief</b> |



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|        | <p>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;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) 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.</p> | <b>Financial Officer</b>              |
|        | <b>THE SEAL</b>  |                                       |
| 152.   | <p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>  | <b>The seal, its custody and use.</b> |
| 153.   | <p>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 authorized 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.</p>  | <b>Deeds how executed.</b>            |
|        | <b>Dividend and Reserves</b>   |                                       |
| 154.   | <p>(1) 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.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p>   | <b>Division of profits.</b>           |



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|        | (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.   |   |
| 155.   | The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.  | <b>The company in General Meeting may declare Dividends.</b>                |
| 156.   | <p>a) 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, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p> | <b>Transfer to reserves</b>   |
| 157.   | 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.   | <b>Interim Dividend.</b>  |
| 158.   | The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.   | <b>Debts may be deducted.</b>   |
| 159.   | No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.   | <b>Capital paid up in advance not to earn dividend.</b>                     |
| 160.   | All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.   | <b>Dividends in proportion to amount paid-up.</b>                           |
| 161.   | The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer  | <b>Retention of dividends until completion of transfer under Articles .</b> |



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|                       | the same.  |   |
| 162.                  | No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.   | <b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b> |
| 163.                  | A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.   | <b>Effect of transfer of shares.</b>  |
| 164.                  | Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.  | <b>Dividend to joint holders.</b>   |
| 165.                  | <p>a) 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.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>  | <b>Dividends how remitted.</b>  |
| 166.                  | 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.   | <b>Notice of dividend.</b>  |
| 167.                  | No unclaimed dividend shall be forfeited and no unpaid dividend shall bear interest as against the Company.  | <b>No interest on Dividends.</b>  |
| <b>CAPITALIZATION</b> |  |   |
| 168.                  | <p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> | <b>Capitalization.</b>  |





| <b>Sr. No</b> | <b>Particulars</b>  |   |
|---------------|---|---|
|               | <p>(ii) 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; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>  |   |
| <b>169.</b>   | <p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(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 capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p> | <b>Fractional Certificates.</b>                         |
| <b>170.</b>   | <p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the</p>   | <b>Inspection of Minutes Books of General Meetings.</b> |





| Sr. No | Particulars  |  |
|--------|--|--|
|        | <p>Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>  |  |
| 171.   | <p>a) 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.</p> <p>b) 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.</p>  | <b>Inspection of Accounts</b>                                    |
|        | <b>FOREIGN REGISTER</b>  |  |
| 172.   | <p>The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.</p>  | <b>Foreign Register.</b>   |
|        | <b>DOCUMENTS AND SERVICE OF NOTICES</b>  |  |
| 173.   | <p>Any document or notice to be served or given by the Company be signed by a Director or such person duly authorized by the Board for such purpose and the signature may be written or printed or lithographed.</p>   | <b>Signing of documents &amp; notices to be served or given.</b> |
| 174.   | <p>Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorized Officer of the Company and need not be under the Common Seal of the Company.</p>   | <b>Authentication of documents and proceedings.</b>              |
|        | <b>WINDING UP</b>  |  |
| 175.   | <p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(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.</p> <p>(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</p> |  |



| Sr. No             | Particulars  |   |
|--------------------|--|---|
|                    | <p>members.<br/>           (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.</p>   |   |
|                    | <b>INDEMNITY</b>   |   |
| <p><b>176.</b></p> | <p>Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.</p> | <p><b>Directors' and others right to indemnity.</b></p> |
| <p><b>177.</b></p> | <p>Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.</p>  | <p><b>Not responsible for acts of others</b></p>        |
|                    | <b>SECRECY</b>   |   |
| <p><b>178.</b></p> | <p>(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration</p>  | <p><b>Secrecy</b></p>                                   |



| Sr. No | Particulars  |  |
|--------|--|--|
|        | pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.  |  |
|        | (b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate. | <b>Access to property information etc.</b> |



## 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 this Red Herring 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 Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office of our Company located at 2nd, Floor, Kalpak Arcade, Number 46/17, Church Street, Bengaluru – 560 001, Karnataka, from date of filing the Red Herring Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### Material Contracts

1. Issue Agreement dated September 27, 2016 between our Company and the Book Running Lead Manager.
2. Registrar Agreement dated September 15, 2016 between our Company and Bigshare Services Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated September 27, 2016 between our Company and Underwriter viz. Book Running Lead Manager.
4. Market Making Agreement dated October 19, 2016 between our Company, Market Maker and the Book Running Lead Manager.
5. Bankers to the Issue Agreement dated October 14, 2016 amongst our Company, the BRLM, Banker to the Issue and the Registrar to the issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated August 26, 2014.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated August 19, 2014.
8. Syndicate Agreements among our Company, the Book Running Lead Manager and Syndicate Members viz. Nirmal Bang Securities Private Limited dated October 13, 2016 respectively.
9. Syndicate Agreements among our Company, the Book Running Lead Manager and Syndicate Members viz. Choice Equity Broking Private Limited dated October 13, 2016 respectively.

#### 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 December 26, 2015 authorizing the Issue
3. Special Resolution of the shareholders passed through Postal Ballot dated February 08, 2016 authorizing the Issue.
4. Statement of Tax Benefits dated November 09, 2016 issued by our Peer Reviewed Auditor, M/s. R.T. Jain & Co., Chartered Accountants.
5. Report of the Peer Reviewed Auditor, M/s. R.T. Jain & Co., Chartered Accountants dated November 09, 2016 on the Standalone Restated Financial Statements for the period ended June 30, 2016 and for the Financial Year ended as on March 31, 2016, 2015, 2014, 2013 and Consolidated Restated Financial Statements for the period ended June 30, 2016 and for the Financial Year ended as on March 31, 2016, 2015 of our Company.



6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Reviewed Auditor, Legal Advisor to the Issue, the Book Running Lead Manager, Underwriter, Registrar to the Issue, Market Maker, Banker to the Issue/ Refund Banker to the Issue and Banker to the Company to act in their respective capacities.
7. Copy of approval from BSE Limited *vide* letter dated October 20, 2016 to use the name of BSE in this offer document for further listing of Equity Shares on SME Platform of BSE Limited.
8. Due Diligence Certificate dated September 1, 2016 from Book Running Lead Manager to BSE Limited.

None of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, Securities Contract (Regulation), Act 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Red Herring Prospectus are true and correct.

**Signed by all the Directors of our Company.**

| <b>Name</b>  | <b>Signature</b> |
|--|------------------|
| <b>Sarang Jayant Panchal</b><br><i>Managing Director</i>                                 | Sd/-             |
| <b>Rajendra Kumar Sharma</b><br><i>Whole-time Director &amp; Chief Financial Officer</i> | Sd/-             |
| <b>Rupesh Pandurang Bhujbal</b><br><i>Independent Director</i>                           | Sd/-             |
| <b>Priamvada Princeton</b><br><i>Independent Director</i>                                | Sd/-             |
| <b>Rajesh Dharambir Oberoi</b><br><i>Independent Director</i>                            | Sd/-             |

**Signed by Chief Financial Officer and Company Secretary and Compliance Officer of the Company**

Sd/-  
Rajendra Kumar Sharma  
*Chief Financial Officer*

Sd/-  
Sonali Gamne  
*Company Secretary & Compliance Officer*

Date: November 16, 2016  
Place: Mumbai



**Annexure A**

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**

| Sr. No | Issue Name                        | Issue Size (Cr) | Issue Price (Rs.) | Listing date       | Opening price on listing date | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|--------|-----------------------------------|-----------------|-------------------|--------------------|-------------------------------|---|---|--|
| 1.     | Sprayking Agro Equipment Limited  | 1.86            | 21                | September 14, 2016 | 24.00                         | 6.19% (-2.46%)  | Not Applicable  | Not Applicable   |
| 2.     | Narayani Steels Limited           | 11.52           | 32                | September 14, 2016 | 33.45                         | 2.03% (-2.46%)  | Not Applicable  | Not Applicable   |
| 3.     | Nandani Creation Limited          | 4.04            | 28                | October 10, 2016   | 33.60                         | 23.21% (-3.18%)   | Not Applicable  | Not Applicable   |
| 4.     | DRA Consultants Limited           | 2.96            | 10                | October 13, 2016   | 12.00                         | 200.50% (-4.84%)  | Not Applicable  | Not Applicable   |
| 5.     | Gretex Industries Limited         | 3.96            | 20                | October 14, 2016   | 24.00                         | 1.25% (-5.53%)  | Not Applicable  | Not Applicable   |
| 6.     | Sakar Health Care Limited         | 14.85           | 50                | October 14, 2016   | 52.80                         | -6.00% (-5.53%)   | Not Applicable  | Not Applicable   |
| 7.     | Bindal Exports Limited            | 1.99            | 16                | October 17, 2016   | 17.00                         | 0.31% (-4.47%)  | Not Applicable  | Not Applicable   |
| 8.     | Mewar Hi-Tech Engineering Limited | 2.33            | 22                | October 17, 2016   | 26.40                         | -23.86% (-4.47%)  | Not Applicable  | Not Applicable   |
| 9.     | Shashijit Infracore Limited       | 3.49            | 15                | October 17, 2016   | 15.25                         | 0.00% (-4.47%)  | Not Applicable  | Not Applicable   |
| 10.    | Agro Phos (India) Limited         | 12.94           | 22                | November 16, 2016  | 26.40                         | Not Applicable  | Not Applicable  | Not Applicable   |





Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> days, scrips are not traded then last trading price has been considered.
5. As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.



### SUMMARY STATEMENT OF DISCLOSURE

| Financial year | Total no. of IPO | Total funds raised (Rs. Cr) | Nos of IPOs trading at discount on 30 <sup>th</sup> Calendar day from listing date |                |               | Nos of IPOs trading at premium on 30 <sup>th</sup> Calendar day from listing date |                |               | Nos of IPOs trading at discount on 180 <sup>th</sup> Calendar day from listing date |                |               | Nos of IPOs trading at premium on 180 <sup>th</sup> Calendar day from listing date |                |               |
|----------------|------------------|-----------------------------|--|----------------|---------------|---|----------------|---------------|---|----------------|---------------|--|----------------|---------------|
|                |                  |                             | Over 50%   | Between 25-50% | Less than 25% | Over 50%  | Between 25-50% | Less than 25% | Over 50%  | Between 25-50% | Less than 25% | Over 50%   | Between 25-50% | Less than 25% |
| 13-14          | *1               | 6.855                       | -  | -              | -             | -   | 1              | -             | -   | -              | -             | -  | 1              | -             |
| 14-15          | **5              | 56.844                      | -  | -              | -             | -   | -              | 5             | -   | -              | -             | -  | 2              | 3             |
| 15-16          | ***9             | 54.01                       | -  | -              | 1             | 2   | 2              | 4             | -   | -              | 2             | 4  | 3              | -             |
| 16-17          | ****17##         | 90.45                       | -  | -              | 4             | 2   | 2              | 8             | -   | -              | 1             | 2  | -              | -             |

\*The scrips of Si. Vi. Shipping Corporation Limited was listed on March 6, 2014.

\*\*The scrips of Women's Next Loungeries Limited, Ultracab (India) Limited, Momai Apparels Limited, Jet Infraventure Limited and Supreme(India) Impex Limited were listed on April 21, 2014, October 10, 2014, October 16, 2014, November 25, 2014, and March 31, 2015 respectively.

\*\*\*The scrips of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited, Patdiam Jewellery Limited and Vidli Restaurants Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2015, August 12, 2015, October 01, 2015, October 16, 2015 and February 15, 2016 respectively.

\*\*\*\*The scrips Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultant Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited and Agro Phos (India) Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016, September 14, 2016, October 10, 2016, October 13, 2016, October 14, 2016, October 14, 2016, October 14, 2016, October 17, 2016, October 17, 2016, October 17, 2016 and November 16, 2016 respectively.

##The Scrips of Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultants Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited and Agro Phos (India) Limited have not completed 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 30 Days, 30 Days, 30 Days, 30 Days, 30 Days, 30 Days, 30 Days and 30 Days respectively from the date of listing.