



## GLOBALSPACE TECHNOLOGIES LIMITED

GlobalSpace Tech Limited was incorporated as a private limited company under the Companies Act, 1956 in the name of GlobalSpace Tech Private Limited at Mumbai vide Certificate of Incorporation dated December 22, 2010 bearing Corporate Identification Number (CIN) U64201MH2010PTC211219. Subsequently, the name of our Company was changed from GlobalSpace Tech Private Limited to GlobalSpace Technologies Private Limited on September 20, 2016. Pursuant to conversion of our Company to a public limited company, our name was changed to GlobalSpace Technologies Limited and a fresh certificate of incorporation consequent upon change of name on conversion to public limited company was issued by the RoC, Mumbai on November 30, 2016 bearing Corporate Identification Number (CIN) U64201MH2010PLC211219. For details of changes in name and registered office of our Company, please refer to the section titled "History and Certain Corporate matters" beginning on page 92 of this Draft Prospectus.

**Registered Office:** Office No. 605, 6th floor, A-1, B-Wing, Rupa Solitaire Building Millennium Business Park, MIDC, Mahape, Navi Mumbai 400 710, India.

For details of changes in the registered office, please refer to the section titled "History and Certain Corporate matters" beginning on page 92 of this Draft Prospectus.

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<b>PROMOTER OF OUR COMPANY: MR. KRISHNA MURARI SINGH</b>	
<b>PUBLIC ISSUE OF UP TO 30,34,000 EQUITY SHARES OF ₹10 EACH ("EQUITY SHARES") OF GLOBALSPACE TECHNOLOGIES LIMITED ("GSTL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹[●] LAKHS ("THE ISSUE"), OF WHICH, UP TO 1,54,000 EQUITY SHARES OF ₹10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKERS TO THE ISSUE (AS DEFINED IN THE SECTION "DEFINITIONS AND ABBREVIATIONS") (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UP TO 28,80,000 EQUITY SHARES OF ₹10 EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.48% AND 25.14%, RESPECTIVELY OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY.</b>	
<b>THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 (as amended) For further details, please refer to section titled "Issue Information" beginning on page 175 of this Draft Prospectus.</b>	
All potential investors shall participate in the Issue through an Application Supported by Blocked Amount (" <b>ASBA</b> ") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (" <b>SCSBs</b> ") for the same. For details in this regard, specific attention is invited to section titled "Issue Procedure" beginning on page 182 of this Draft Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.	
<b>THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE.</b>	
<b>RISK IN RELATION TO THE FIRST ISSUE</b>	
This being the first public offer of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10. The Issue Price is [●] times the face value. The Issue Price (as determined by our Company, in consultation with the Lead Manager, and as stated in the section titled "Basis for Issue Price" beginning on page 65 of this Draft Prospectus, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.	
<b>GENERAL RISK</b>	
Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (" <b>SEBI</b> ") nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 15 of this Draft Prospectus.	
<b>ISSUER'S ABSOLUTE RESPONSIBILITY</b>	
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue; that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held; and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.	
<b>LISTING</b>	
The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended, we are not required to obtain an in-principal listing approval for the shares being issued in this Issue. However, our Company has received an approval letter dated [●] from BSE for using its name in this Offer Document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited (" <b>BSE</b> ").	
<b>LEAD MANAGER</b>	<b>REGISTRAR TO THE ISSUE</b>
<p><b>CHOICE CAPITAL ADVISORS PRIVATE LIMITED</b> Shree Shakambhari Corporate Park, Plot No.156-158 Chakravarti Ashok Society, Nr. Cambridge School J. B. Nagar, Andheri (East) Mumbai 400099, India. Telephone: +91 22 6707 9999 Facsimile: +91 22 6707 9959 Email: gstl@choiceindia.com Contact Person: Ms. Swati S/ Mr. Siddharth Sharma Website: www.choiceindia.com SEBI registration number: INM000011872 CIN: U65990MH2010PTC198262</p>	<p><b>LINK INTIME INDIA PRIVATE LIMITED</b> C-13, Pannalal Silk Mills Compound L.B.S Marg, Bhandup (West) Mumbai 400 078, India. Telephone: +91 22 6171 5400 Facsimile: +91 22 2596 0329 Email id: globalspace.ipo@linkintime.co.in Investor grievance Email id: globalspace.ipo@linkintime.co.in Contact Person: Ms. Shanti Gopalkrishnan Website: www.linkintime.co.in SEBI registration number: INR000004058 CIN: U67190MH1999PTC118368</p>
<b>ISSUE PROGRAMME</b>	
<b>ISSUE OPENS ON [●]</b>	<b>ISSUE CLOSES ON: [●]</b>

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviation which, unless the context otherwise indicates or implies, shall have the respective meanings given below. References to statutes, regulations, rules, guidelines and policies will be deemed to include all amendments and modifications thereto.

As on date of this Draft Prospectus, our Company does not have any subsidiaries. Consequently, all references to "our Company", "the Issuer", "we", "our", "us" or "GlobalSpace" "GSTL" is to GlobalSpace Technologies Limited, a company incorporated under the previous Companies Act, 1956 and having its Registered Office at Office No. 605, 6th floor, A-1, B-Wing, Rupa Solitaire Building Millennium Business Park, MIDC, Mahape, Navi Mumbai 400 710, India.

The words and expression used in this Draft Prospectus, but not defined herein, shall have the same meaning ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder as the case may be. Notwithstanding the foregoing, the terms not defined but used in the sections titled "Statement of Possible Tax Benefits"; "Financial Statements"; "Outstanding Litigation and Material Developments"; and "Main Provisions of Articles of Association" beginning on pages 67, 114, 157 and 217 respectively, shall have the meanings ascribed to such terms in these respective sections.

#### Company Related Terms

Term	Description
Articles/ Articles of Association/ AoA	The articles of association of our Company, as amended
Audit Committee	Audit committee of our Company constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013
Auditor/ Statutory Auditor	The statutory auditor of our Company, being M/s. Tolia & Associates, Chartered Accountants
Board of Director(s)/ Director(s)	The director(s) on our Board, unless otherwise specified. For further details of our Directors, please refer to section titled "Our Management" beginning on page 96 of this Draft Prospectus.
Equity Listing Agreement/ Listing Agreement	The equity listing agreement to be entered into by our Company with the Stock Exchanges
Equity Shares	The equity shares of our Company of face value of ₹10 each, fully paid-up, unless otherwise specified in the context thereof
Group Companies/ Entities	The companies included under the definition of "Group Companies" under the SEBI (ICDR) Regulations and identified by the Company in its Materiality Policy. For further details, please refer to section titled "Group Entities of Our Company" beginning on page 111 of this Draft Prospectus.
Key Managerial Personnel/ KMP	The key management personnel of our Company in terms of the SEBI (ICDR) Regulations and the Companies Act disclosed in section titled "Our Management" beginning on page 96 of this Draft Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on December 7, 2016, in accordance with the requirements of the SEBI (ICDR) Regulations.
Memorandum/ Memorandum of Association/ MoA	The memorandum of association of our Company, as amended
Nomination and Remuneration Committee	Nomination and remuneration committee of our Company constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Companies Act, 2013
Promoter	The promoter of our Company, being, Mr. Krishna Murari Singh. For further details, please refer to section titled "Our Promoters and Promoter Group" beginning on page 108 of this Draft Prospectus.
Promoter Group	Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations and as disclosed under section titled "Our Promoters and Promoter Group" beginning on page 108 of this Draft Prospectus.
Registered Office	Office No. 605, 6 <sup>th</sup> floor, A-1, B-Wing, Rupa Solitaire Building Millennium Business Park, MIDC, Mahape, Navi Mumbai 400 710, India.
RoC/ Registrar of Companies	The Registrar of Companies at Mumbai situate at 100, 5 <sup>th</sup> floor, Everest, Near Marine Lines Railway Station, Marine Drive, Mumbai 400 002, India.
Stakeholders' Relationship	Stakeholder's relationship committee of our Company constituted in accordance with Regulation

Term	Description
Committee	18 of the SEBI Listing Regulations and Companies Act, 2013

#### Issue related terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Applicant as proof of registration of the Application.
Allot/ Allotment/ Allotted of Equity Shares	Unless the context otherwise requires, issue/allotment of Equity Shares of our Company pursuant to the Issue of Equity Shares to the successful Applicants.
Allocation/ Allotment of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants.
Allotment Advice	The Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges.
Allottee (s)	A Successful applicant (s) to whom the Equity Shares are being/ have been issued /allotted.
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of this Draft Prospectus and the Application Form.
Application Amount	The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of this Draft Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Draft Prospectus.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by all applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.  <i>Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA process.</i>
ASBA Account	Account maintained by an ASBA applicant with a SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant.
ASBA Application Location (s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Bangalore, Hyderabad and Pune.
Basis of Allotment	The basis on which the Equity Shares will be allotted as described in the section titled "Issue Procedure" beginning on page 182 of this Draft Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker.  The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of the BSE on the following link:- <a href="http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3">http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3</a>
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
ClientID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on <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 Applicants such as their Address, PAN, Occupation and Bank Account details.
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Depository/ Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant/DP	A depository participant as defined under the Depositories Act, 1966.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at

	<a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">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.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs.  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</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.
Draft Prospectus	This Draft Prospectus dated December 30, 2016 issued in accordance with Section 32 of the Companies Act, 2013.
Designated Market Maker	[●]
Designated Stock Exchange	SME Exchange of BSE Limited
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe for the Equity Shares offered herein on the basis of the terms thereof
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the Circular (CIR/CFD/DIL/12/2013) dated 23 <sup>rd</sup> October, 2013, notified by SEBI read with SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA process.
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Price	The price at which Equity Shares will be issued and allotted by our Company being ₹[●] per Equity Share of face value of ₹10 each fully paid.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer to section titled "Objects of the Issue" beginning on page 58 of this Draft Prospectus
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of up to 30,34,000 Equity Shares of ₹10 Each (" <b>Equity Shares</b> ") of GlobalSpace Technologies Limited (" <b>GSTL</b> " Or the " <b>Company</b> " or the " <b>Issuer</b> ") for Cash at a Price Of ₹[●] Per Equity Share (the " <b>Issue Price</b> "), aggregating to ₹[●] Lakhs (the " <b>Issue</b> ").
LM / Lead Manager	The Lead Manager for the Issue being Choice Capital Advisors Private Limited.
Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with the BSE SME Platform. In our case, [●] Market Maker to the Issue.
Market Making Agreement	The Market Making Agreement dated [●] between our Company and Market Maker.
Market Maker Reservation Portion	The reserved portion of up to 1,54,000 Equity Shares of ₹10 each at an Issue Price of ₹[●] each to be subscribed by Market Maker.
MOU/ Issue Agreement	The Agreement dated December 14, 2016 between our Company and Lead Manager.
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to 28,80,000 equity shares of face value ₹10 each of GlobalSpace Technologies Limited for cash at a price of ₹[●] per Equity Share (the " <b>Issue Price</b> "), including a share premium of ₹[●] per equity share aggregating up to ₹[●] Lakhs.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
Non Institutional Investors or NIIs	All Applicants, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than ₹2,00,000 (but not including NRIs other than Eligible NRIs)
Overseas Corporate Body /	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of

OCB	the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Other Investors	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Payment through electronic means	Payment through NECS, NEFT, or Direct Credit, as applicable.
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.
Prospectus	The Prospectus, to be filed with the RoC in accordance with the provisions of Section 32 of the Companies Act, 2013.
Public Issue Account	The Bank Account opened with the Banker(s) to this Issue [●]. under section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Institutional Buyers or QIBs	A Mutual Fund, Venture Capital Fund, Alternative Investment Fund and Foreign Venture Capital investor registered with the Board, a foreign portfolio investor other than Category III foreign portfolio investor, registered with the Board; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance Company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs. 25.00 Crore rupees; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.
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 this Issue/RTI	Registrar to the Issue being Link Intime India Private Limited.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/RIIs	Individual Applicants or minors applying through their natural guardians, (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to ₹2 Lakhs in this Issue.
Self Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html</a>
Specified Cities	Cities as specified in the SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Ahmedabad, Bangalore, Baroda (Vadodara), Chennai, Delhi, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Rajkot and Surat.
SME Exchange	SME Platform of the BSE Limited
SME Platform	The SME Platform of BSE for listing equity shares offered under Chapter XB of the SEBI ICDR Regulation which was approved by SEBI as an SME Exchange.
Stock Exchange	BSE Limited (SME Platform)
Underwriters	Choice Capital Advisors Private Limited
Underwriting Agreement	The Agreement dated [●] entered into amongst the Underwriters and our Company.
Working Days	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Issue opening and Issue closing date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

## Conventional and General Terms

Term	Description
ACIT	Assistant Commissioner of Income Tax
AGM	Annual General Meeting
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
Air Act, 1981	Air (Prevention and Control of Pollution) Act, 1981
Category I foreign portfolio investor(s)	FPIs who are registered as "Category I foreign portfolio investor" under the SEBI FPI Regulations
Category II foreign portfolio investor(s)	FPIs who are registered as "Category II foreign portfolio investor" under the SEBI FPI Regulations
Category III foreign portfolio investor(s)	FPIs who are registered as "Category III foreign portfolio investor" under the SEBI FPI Regulations
Client ID	The client identification number maintained with one of the Depositories in relation to demat account
Companies Act, 1956	Companies Act, 1956 ( <i>without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013</i> ) along with the relevant rules made thereunder
Companies Act/ Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	Consolidated FDI Policy (Circular 1 of 2015) dated May 12, 2015 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CST Act	Central Sales Tax Act, 1956
Depository	A depository registered with SEBI under the Depositories Act, 1996
Depository Participant/ DP	A depository participant registered with SEBI under the Depositories Act
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
DP/ Depository Participant	A depository participant as defined under the Depositories Act
FCNR Account	Foreign currency non-resident account
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations.
Financial Year/ Fiscal/ Fiscal Year/ F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
Hazardous Waste Rules, 2008	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
Income Tax Act or the I.T. Act	The Income Tax Act, 1961
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016
LLP Act	The Limited Liability Partnership Act, 2008
Ltd.	Limited
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Government as having come into effect prior to the date of this Draft Prospectus
NRE Account	Non-resident external account
NRO Account	Non-resident ordinary account
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 was eligible to undertake transactions pursuant to the general permission granted to OCBs under FEMA

Term	Description
RBI Act	Reserve Bank of India Act, 1934
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
Securities Act	U.S. Securities Act of 1933, as amended
State Government	The government of a state of the Union of India
STT	Securities Transaction Tax
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporates or foreign individuals
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations
Water Act, 1974	Water (Prevention and Control of Pollution) Act, 1974

#### Technical and Industry related terms

Term	Description
ACV	Annual Contract Value
AIM	Analytics and Information Management
AO	Application Outsourcing
BFS	Banking and Financial Services
BFSI	Banking, Finance Services and Insurance companies
BPM	Business Process Management
CADM	Custom Application Development and Management
COE	Centers of Excellence
CIO	Chief Information Officer
CIS	Customer Interaction and Support
CRM	Customer Relationship Management
GDP	Gross Domestic Product
GEP	Global Economic Prospects
IBEF	India Brand Equity Foundation
IIP	Index of Industrial Production
IMF	International Monetary Fund
IRDA	Insurance Regulatory and Development Authority
ICT	Information and Communication Technology
IoT	Internet of Things
IT	Information Technology
KPI	Key Performance Indicator
MSA	Master Service Agreement
MAT	Minimum Alternate Tax
MDM	Mobile device management
MSME	Micro Small and Medium Enterprises
M&A	Merger & Amalgamation
O&M	Operation and Maintenance
OPEX	Operational expenditure
OS	Operating System
PE	Private Equity
PSU	Public Sector Undertaking
R&D	Research & Development

Term	Description
SaaS	Software as a Service
SEZ	Special Economic Zone
sq. ft	square feet
Trade Marks Act	Trade Marks Act, 1999
U.S.	United States
WPI	Wholesale Price Index

### General terms/ Abbreviations

Term	Description
₹ or Rs. or Rupees or INR	Indian Rupees
AGM	Annual General Meeting
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
A. Y.	Assessment year
BPLR	Bank Prime Lending Rate
BSE	The BSE Limited
CAGR	Compounded annual growth rate
CARO	Companies (Auditor's Report) Order, 2003
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CLB	Company Law Board
CrPC	Criminal Procedure Code, 1973, as amended
CSR	Corporate Social Responsibility
DIN	Director Identification Number
DP ID	Depository participant's identification
ECS	Electronic Clearing System
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation
EGM	Extraordinary General Meeting of the Shareholders of the Company
EPS	Earnings Per Share
ESOS	Employee Stock Option Scheme
FDI	Foreign direct investment
FIPB	Foreign Investment Promotion Board
GAAR	General anti avoidance rules
GIR	General index register
GoI/Government	Government of India
HNI	High Net worth Individual
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
ISO	International Organization for Standardization
IT Act	The Income Tax Act, 1961, as amended
IT Rules	The Income Tax Rules, 1962, as amended
MCA	Ministry of Corporate Affairs, Government of India
MoU	Memorandum of understanding
N.A.	Not Applicable
NAV/ Net Asset Value	Net asset value being paid up equity share capital plus free reserves ( <i>excluding reserves created out of revaluation</i> ) less deferred expenditure not written off ( <i>including miscellaneous expenses not written off</i> ) and debit balance of profit and loss account, divided by number of issued Equity Shares
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
NoC	No Objection Certificate
No.	Number
NR	Non-resident
NSDL	National Securities Depository Limited.
NTA	Net Tangible Assets
p.a.	Per annum

<b>Term</b>	<b>Description</b>
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price per earnings ratio
Pvt.	Private
RBI	Reserve Bank of India
RoC	Registrar of Companies
RONW	Return on Net Worth
RTGS	Real time gross settlement
SCN	Show Cause Notice
SCSB	Self-certified syndicate bank
UIN	Unique identification number
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value added tax
YoY	Year on Year

## CURRENCY CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY PRESENTATION

### Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to "India" in this Draft Prospectus are to the Republic of India, all references to the "U.S.", the "USA" or the "United States" are to the United States of America, together with its territories and possessions.

Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus.

### Financial Data

Unless stated otherwise, the financial information in this Draft Prospectus is derived from our restated financial statements (i) for three (3) months period ended June 30, 2016; and (ii) as of and for F.Y. ended March 31, 2016, 2015, 2014, 2013 and 2012 is prepared in accordance with Indian GAAP and the Companies Act, 1956, read with General Circular 8/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs and other applicable statutory and/ or regulatory requirements and the Companies Act, 2013. The above stated financial information is restated in accordance with the SEBI (ICDR) Regulations.

In this Draft Prospectus, all figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places.

Indian GAAP differs in certain material respects 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 Draft Prospectus, nor do we provide a reconciliation of the financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the financial information prepared in accordance with Indian GAAP, Companies Act and the SEBI (ICDR) Regulations included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Accounting Standards and accounting practices, Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations. Please refer to section titled "Risk Factors - Significant differences could exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may affect investors' assessments of our Company's financial condition" beginning on page 15 of this Draft Prospectus. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations on the financial disclosures presented in this Draft Prospectus should accordingly be limited. In making an investment decision, investors must rely upon their own examination of our Company, the terms of the Issue and the financial information relating to our Company. Potential investors should consult their own professional advisors for an understanding of these differences between Indian GAAP and IFRS or U.S. GAAP, and how such differences might affect the financial information contained herein.

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Prospectus, including in the section titled "Risk Factors"; "Our Business"; "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 15; 77; and 143 respectively, have been calculated on the basis of the restated audited financial statements of our Company included in this Draft Prospectus.

### Currency and Units of Presentation

All references to:

- "Rupees", "Rs.", "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India.

Our Company has presented certain numerical information in this Draft Prospectus in "lakhs" units. One lakh represents 1,00,000. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

### Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been derived from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although, we believe that the industry and market data used in this Draft Prospectus is reliable, neither we nor the Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

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" beginning on page 15 of this Draft Prospectus. Accordingly, investment decisions should not be based on such information.

In accordance with the SEBI (ICDR) Regulations, we have included in the section titled "Basis for Issue Price" beginning on page 65 of this Draft Prospectus, information pertaining to the peer group entities of our Company. Such information has been derived from publicly available data of the peer group companies.

## FORWARD LOOKING STATEMENTS

The Company has included statements in this Draft Prospectus which contain words or phrases such as "may", "will", "aim", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "seek to", "future", "objective", "goal", "project", "should", "potential" and similar expressions or variations of such expressions, that are or may be deemed to be forward looking statements.

All statements regarding the expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to the business strategy, the revenue, profitability, planned initiatives. These forward-looking statements and any other projections contained in this Draft Prospectus (*whether made by us or any third party*) are predictions and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the section titled "Risk Factors"; "Management's Discussion and Analysis of Financial Condition and Results of Operations"; "Industry Overview"; and "Our Business" beginning on pages 15;143; 74; and 77 respectively of this Draft Prospectus.

The forward-looking statements contained in this Draft Prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materializes, or if any of the underlying assumptions prove to be incorrect, the actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

Certain important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

1. Failure to anticipate and develop new products and enhance existing services in order to keep pace with rapid changes in technologies and the industries we focus on;
2. pricing pressure due to intense competition in the market for IT products and services;
3. exchange rate fluctuations in the various currencies in which we do business;
4. failure to predict our revenues, expenses and profitability due to significant fluctuation in relation thereto;
5. dependence of our revenue to a large extent on a limited number of clients and concentration of our clients in certain industries and geographical regions; and
6. failure to attract, retain and manage the transition of our management team and other skilled professionals.

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. Our Company, the Lead Manager, or their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors are informed of material developments until the time of the grant of final listing and trading permissions with respect to Equity Shares being offered in this Issue, by the Stock Exchanges. Our Company will ensure that investors are informed of material developments in relation to statements about our Company in this Draft Prospectus until the Equity Shares are allotted to the investors.

## SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in the Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a complete understanding, you should read this section in conjunction with the sections titled "Our Business"; "Industry Overview"; "Management's Discussion and Analysis of Financial Conditions and Results of Operations"; and "Financial Information" beginning on pages 77; 74; 143; and 114 respectively of this Draft Prospectus. 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, financial condition and results of operations. 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. 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 effect is not quantifiable and hence the same has not been disclosed in such risk factors. In making an investment decision, prospective investors must rely on their own examination of the Company and the terms of the Issue, including the risks involved.

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

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

- a) Some events may not be material individually, but may be found material collectively;
- b) Some events may have material impact qualitatively instead of quantitatively; and
- c) Some events may not be material at present but may have material impact in future.

1. ***Our business will suffer if we fail to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology and the industries on which we focus.***

The IT services market is characterised by rapid technological changes, evolving industry standards, changing client preferences, and new product and service introductions that could result in product obsolescence and short product life cycles. Our future success will depend on our ability to anticipate these advances, enhance our existing product offerings or develop new service offerings to meet client needs, in each case, in a timely manner. We may not be successful in anticipating or responding to these advances on a timely basis, or at all. If we do respond, the products or services we develop may not be successful in the marketplace. We may also be unsuccessful in stimulating customer demand for new and upgraded services, or seamlessly managing new service introductions or transitions. Our failure to address the demands of the rapidly evolving IT environment, particularly with respect to emerging technologies, and technological obsolescence, could have a material adverse effect on our business, results of operations and financial condition. In addition, our success also depends on our ability to proactively manage our portfolio of technology alliances.

Additionally, during the regular course of operating our business, we may adjust our future plans as a result of our research, experience, technology evolution and market demand. Accepting unforeseen business opportunities may also result in a business model change. We cannot guarantee that any adjustment in our future plans will become successful or be more successful than our current business model. A shift in our plans may result in the use of other technologies. Other technologies may in the future prove to be more efficient and/or economical to us than our current technologies. We cannot guarantee that any change in technology will become successful or be more successful than our current technology.

2. ***Intense competition in the market for technology services could affect our pricing, which could reduce our share of business from clients and decrease our revenues and profitability.***

We operate in an intensely competitive industry that experiences rapid technological developments, changes in industry standards, and changes in customer requirements. Our competitors include large IT consulting firms, captive divisions of large multinational technology firms, large Indian IT services firms, in-house IT departments of large corporations, in addition to numerous smaller local competitors in the various geographic markets in which we operate. The technology services industry is experiencing rapid changes that are affecting the competitive landscape. We may face competition from companies that increase in size or scope as the result of strategic mergers or acquisitions, which may result in larger

competitors with significant resources that benefit from economies of scale and scope. These transactions may include consolidation activity among global technology majors, hardware manufacturers, software companies and vendors, and service providers. The result of any such vertical integration may be greater integration of products and services and a larger portfolio of services on offer, in each case, relative to what was previously offered by such independent vendors. Our access to such products and services may be reduced as a result of such an industry trend and we may otherwise become disadvantaged relative to our potentially more circumscribed service portfolio.

Such events could have a variety of negative effects on our competitive position and our financial results, including reducing our revenue, increasing our costs, lowering our gross margin percentage and requiring us to recognise impairments on our assets. If we are unable to provide our clients with superior services and solutions at competitive prices or successfully market those services to current and prospective clients, our business, results of operations and financial condition may suffer.

3. ***Inability to optimally price our services may adversely affect our business, financial condition and results of operations.***

Our business model provides for clients to pay partly in advance and balance in 60-90 days time. If we are not able to predict the most optimal route or change customer prices, we may be unable to unwilling to pass these increases to our customers, which could adversely affect our business, results of operations and financial condition.

Further, as competitors introduce new products or services that compete with ours or reduce their prices, we may be unable to attract new customers or retain existing customers based on our historical pricing. As we expand in newer geographies, we also must determine the appropriate price to enable us to compete effectively internationally.

4. ***Our pricing structures do not accurately anticipate the cost and complexity of performing our work and if we are unable to manage costs successfully, then certain of our contracts could be or become unprofitable.***

We negotiate pricing terms with our clients utilising a range of pricing structures and conditions. Depending on the particular contract, we may use time-and-materials pricing, pursuant to which we typically invoice on a monthly basis for the services that we provide to our clients. We also enter into fixed-price arrangements, pursuant to which we provide a defined scope of work over a fixed timeline for a capped fee. In certain instances, we enter into time-and-materials pricing arrangements, but with the inclusion of fixed-price elements for certain specified services.

Our ability to improve or maintain our profitability is dependent on managing our costs successfully. Our cost management strategies include maintaining appropriate alignment between the demand for our services and our resource capacity, optimising the costs of service delivery through business process digitalisation and deployment of tools, and effectively leveraging our sales and marketing and general and administrative costs. We also have to manage additional costs to replace or upgrade our products or services in the event our clients are not satisfied in relation thereto and believe we have failed to properly understand their needs and develop solutions accordingly. Our pricing structure is highly dependent on our internal forecasts and predictions about our projects and the potential demand for our projects and services by our clients, which might be based on limited data and could be inaccurate. Although we use our specified software engineering processes and rely on our past project experience to reduce the risks associated with estimating, planning and performing fixed-price projects, we bear the risks of cost overruns, completion delays and wage inflation in connection with these projects. There is no guarantee that these, or other cost-management efforts, will be successful, that our efficiency will be enhanced, or that we will achieve desired levels of profitability.

If we do not accurately estimate the resources required, costs and timing for completing projects, future rates of wage inflation and currency exchange rates, or if we fail to complete our contractual obligations within the contracted timeframe, our contracts could prove unprofitable for us or yield lower profit margins than anticipated. There is a risk that we will underprice our contracts, fail to accurately estimate the costs of performing the work or fail to accurately assess the risks associated with potential contracts. In particular, any increased or unexpected costs, or wide fluctuations compared to our original estimates or delays, or unexpected risks we encounter in connection with the performance of this work, including those caused by factors outside of our control, could make these contracts less profitable or unprofitable, which could adversely impact our profit margin.

5. ***Failure to meet the level of performance in accordance with our contracts with customers could adversely affect our business, financial condition and results of operations.***

We use complex and utilise sophisticated software and hardware systems for providing our services and solutions to our customers. Such software and hardware systems may suffer operational errors or performance problems. We have entered into contracts with some of our customers which contain provisions requiring us to maintain the services at or above certain minimum performance standards. Under these contracts, if we fail to meet the specified standards, we may be

subject to liquidated damages or penalties, and in certain cases, termination of the contracts by our customers. We cannot assure you that in case any claims for damages are made by our customers, the limitations on liability we provide for in our service contracts will be enforceable, or that they will otherwise be sufficient to protect us from liability for damages.

6. ***Failure to offer customer support in a timely and effective manner may adversely affect our relationships with our customers.***

From time to time, our customers require our customer support team to assist them in using our services and product i.e. SOLT effectively, help them in resolving post-deployment issues quickly and in providing ongoing support. If we do not devote sufficient resources or are otherwise unsuccessful in assisting our customers effectively, it could adversely affect our ability to retain existing customers and could prevent prospective customers from adopting our services. We may be unable to respond quickly enough to accommodate short-term increases in demand for customer support. We also may be unable to modify the nature, scope and delivery of our customer support to compete with changes in the support services provided by our competitors. Increased demand for customer support, without corresponding revenue, could increase costs and adversely affect our business, results of operations and financial condition.

Our sales are highly dependent on our business reputation and on positive recommendations from our customers. Any failure to maintain high-quality customer support, or a market perception that we do not maintain high-quality customer support, could adversely affect our reputation, business, results of operations and financial condition.

7. ***We are subject to risks associated with expansion into new markets.***

Expansion into new markets, including in India and overseas, subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets.

By expanding into new markets, we could be subject to additional risks associated with establishing and conducting operations, including:

- compliance with a wide range of laws, regulations and practices, including uncertainties associated with changes in laws, regulations and practices and their interpretation;
- local preferences and service requirements;
- fluctuations in foreign currency exchange rates;
- inability to effectively enforce contractual or legal rights and adverse tax consequences;
- differing accounting standards and interpretations;
- stringent as well as differing labour and other regulations;
- differing domestic and foreign customs, tariffs and taxes;
- exposure to expropriation or other government actions; and
- political, economic and social instability.

Our Company intends to enter into new markets like New Delhi, within India and Dubai. For further details, please refer to section titled "Objects of the Issue" beginning on page 58 of this Draft Prospectus. By expanding into new markets, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

8. ***We face risks associated with currency exchange rate fluctuations.***

We have adopted the Indian Rupee as our reporting currency and our revenue is earned in reporting currency and from sale within India. However, a large portion of our costs are in denominated directly or indirectly in US Dollar since our Company imports its products from overseas countries viz. China, Taiwan. Approximately 61% and 64% of our total expenses in the Financial Year 2016 and Financial Year 2015, respectively, were incurred in Indian Rupees. The exchange rate between the Indian Rupee and foreign currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. Any significant appreciation of the Indian Rupee against foreign currencies in which we do business can fundamentally affect our competitiveness in the long term. As our financial statements are presented in Indian Rupee, such fluctuations could have a significant impact on our reported results. Our customers generally demand that all risks associated with such fluctuations are borne by us.

While we have not engaged in exchange rate hedging activities in the past due to size of our operations, we may implement hedging strategies to mitigate these risks in the future. However, these hedging strategies may not eliminate our exposure to foreign exchange rate fluctuations and involve costs and risks of their own, such as ongoing management time and expertise, external costs to implement the strategy and potential accounting implications.

9. ***One of our erstwhile employee has filed a complaint against our Company.***

Mr. Vinod Goyal, erstwhile employee of our Company, has filed a complaint against our Company before the Deputy Commissioner of Labour for non-payment of salary to the tune of ₹0.67 lakhs (₹67,500) for the period October 2013 to February 2015. The matter is pending before the Deputy Commissioner of Labour.

10. ***Our Company has not complied with certain provisions of the Companies Act and we may be subject to regulatory action for such non-compliances.***

Our Company has not complied with certain reporting requirements such as registration of resolutions for change in registered office and registration of charge appropriately. Further, our Company has not complied with certain provisions of the Companies Act such as change in Auditors, appointment of directors and not filed certain annual filing appropriately.

Further, there have been some instances of delayed filing by the Company in respect of the filings required to be made under Companies Act, however, we have not received any notice from the Registrar of Companies, to date, with respect to such non-compliances. We cannot assure you that our Company will not be subject to any penalty imposed by the competent authority in this respect. Any adverse order passed or penalty imposed by regulators on us may adversely affect our financial results if and when such penalties are imposed.

11. ***We are dependent upon few customers for our business. Any reduction or interruption in the business of a key customer or a substantial decrease in orders placed by a key customer may have an adverse impact on the revenues and operations of our Company.***

Our top ten (10) largest customers accounted for about 99.89% of our total revenue for the year ended March 31, 2016. We do not have any long term arrangements with our customers. The loss of a major customer and/or reduction in any of our key customers' sales, resulting in lower demand for our products and services and any material delay, cancellation or reduction of orders from any of our key customers would materially affect our business and financial condition. There is no assurance that we will be able to maintain historic levels of business from all the existing customers or to retain all the existing customers, or that we will be able to replace our customer base in a timely manner or at all. In the event our existing customers do not continue to purchase our products, it may affect our revenues and the financial condition of our Company.

12. ***The loss of services of our senior management could adversely our business and results of operations.***

We are dependent on the experience and the continued efforts of the senior members of our management team, many of whom have been with us for an extended period of time. Our growth strategy will place significant demands on our management and other resources because it requires us to continue to improve operational, financial and other internal controls, both in India and overseas. We are dependent on executives and key personnel, including competent sales force as well as technology professionals with a detailed knowledge of our industry. The loss in the services of the members of our senior management and other key team members, particularly to competitors, or our failure to otherwise retain the necessary management and other resources to maintain and grow our business, may have an adverse effect on our results of operations, financial condition and prospects.

Our future success and our ability to maintain our competitive position and implement our business strategy are dependent to a large degree on our ability to identify, attract, train and retain personnel with skills that enable us to keep pace with growing demands and evolving industry standards and on the continued service and performance of our senior management team and other key team members in our business units.

Qualified individuals are in high demand and competition for qualified personnel in our industry is intense, and we may incur significant costs to retain or attract them. We may not be able to retain our existing personnel or attract and retain new personnel in the future. Many well qualified candidates may be subject to contractual non-compete clauses which may restrict our ability to employ them.

13. ***If we are unable to implement our marketing strategy in a cost-effective and timely manner, then our business, results of operations and financial condition would be adversely affected.***

In order to grow our business, we must continue to attract new customers in a cost-effective manner. We use a variety of marketing channels to promote our services and platform, such as, social media, events (*Digi Pharmax Awards*), B2B sales. We periodically adjust the mix of our other marketing programs such as regional customer events, email campaigns, billboard advertising and public relations initiatives. If the costs of the marketing channels we use increase dramatically, then we may choose to use alternative and less expensive channels, which may not be as effective as the channels we currently use. As we add to or change the mix of our marketing strategies, we may need to expand into more expensive channels than those we are currently in, which could adversely affect our business, results of operations and financial condition. We will incur marketing expenses before we are able to recognize any revenue that the marketing initiatives may generate, and these expenses may not result in increased revenue or brand awareness. We have made in the past, and may make in the future, expenditures and investments in new marketing campaigns, and we cannot assure you that any such investments will lead to the cost-effective acquisition of additional customers. If we are unable to maintain effective marketing programs, then our ability to attract new customers could be adversely affected, our advertising and marketing expenses could increase substantially and our results of operations may be adversely affected.

14. ***If we are unable to maintain and enhance our brand and increase market awareness of our Company and products, our business, results of operations and financial condition may be adversely affected.***

We believe that maintaining and enhancing the "GlobalSpace" brand identity and increasing market awareness about us and our services and solutions, is critical to achieving widespread acceptance of our services and product, to strengthen our relationships with our existing customers and to our ability to attract new customers. The successful promotion of our brand will depend largely on our continued marketing efforts, our ability to continue to offer high quality services and solutions and to successfully differentiate our services, products and platform from competing products and services. Our brand promotion activities may not be successful or yield increased revenue. In addition, independent industry analysts often provide reviews of our services and competing products and services, which may significantly influence the perception of our services in the marketplace. If these reviews are negative or not as strong as reviews of our competitors' products and services, then our brand may be harmed.

The promotion of our brand also requires us to make substantial expenditures, and we anticipate that these expenditures will increase as our market becomes more competitive and as we expand into new markets. To the extent that these activities increase revenue, this revenue still may not be enough to offset the increased expenses we incur. If we do not successfully maintain and enhance our brand, then our business may not grow, we may see our pricing power reduced relative to competitors and we may lose customers, all of which would adversely affect our business, results of operations and financial condition.

15. ***Indemnity provisions in various agreements potentially expose us to substantial liability for intellectual property infringement and other losses.***

Our agreements with customers and other third-parties typically include indemnification or other provisions under which we agree to indemnify or otherwise be liable to them for losses suffered or incurred as a result of claims of intellectual property infringement, damages caused by us to property or persons or other liabilities relating to or arising from the use of our services or other acts or omissions. The term of these contractual provisions often survives termination or expiration of the applicable agreement. Large indemnity payments or damage claims from contractual breach could harm our business, results of operations and financial condition. Any dispute with a customer with respect to such obligations could have adverse effects on our relationship with that customer and other current and prospective customers, reduce demand for our services and adversely affect our business, results of operations and financial condition.

16. ***Our investments in technology, especially our research and development activities, may not yield the intended results, which may adversely affect our financial condition and results of operations.***

We invest in and intend to continue investing in newer technologies, including, technologies to enhance our R&D capabilities. Our focus areas currently include software product development programme. Our choice of focus areas and investments in technology and human capital for R&D are based on the management's perception of the our industry. We cannot assure you that such investments will yield the intended results. Our inability to achieve intended results from our investments in R&D may adversely affect our financial position and results of operations.

17. ***Our insurance coverage may not be adequate to cover all losses or liabilities that we may incur in our business and operations.***

Our operations are subject to various risks inherent in the IT industry as well as fire, theft, earthquake, flood, acts of terrorism and other force majeure events. We maintain a standard fire and special perils policy for various risks. For details, please refer to section titled "Our Business" beginning on page 77 of this Draft Prospectus.

Notwithstanding the insurance coverage that we carry, the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events not covered by insurance policies, could harm our financial condition and future results of operations. However, in some cases, we may not have obtained the required insurance coverage or such insurance policies may have lapsed. In addition, our insurance policies may not continue to be available on reasonable terms, at economically acceptable premiums, or at all. There can be no assurance that any claims filed will be honoured fully or timely under our insurance policies. Also, our financial condition may be affected to the extent we suffer any loss or damage that is not covered by insurance or which exceeds our insurance coverage.

18. ***Our risk management policies and procedures may not adequately address unidentified or unanticipated risks.***

We are exposed to various forms of operations, legal and regulatory risks. We have established a risk management system consisting of an organisational framework, policies, procedures and risk management methods that we consider to be appropriate for our business operations, and we have continued to enhance these systems.

However, due to the inherent limitations in the design and implementation of such a system, including internal control environment, risk identification and evaluation, effectiveness of risk control, and information communication, our systems may not be adequate or effective in identifying or mitigating our risk exposure in all market environments or against all types of risks.

As we seek to expand the scope of our operations, we also face the risk that we will be unable to develop risk management policies and procedures that are properly designed to manage the risks associated with the growth of our existing businesses. Inability to develop and implement effective risk management policies may adversely affect our business, financial condition, results of operations and prospects.

19. ***We have entered into, and will continue to enter into, related party transactions. There is no assurance that our future related party transactions would be on terms favourable to us when compared to similar transactions with unrelated or third parties.***

We have entered into and may, in the course of our business, continue to enter into transactions with related parties in the future. For further details in relation to our related party transactions, please refer to section titled "Related Party Transactions" beginning on page 112 of this Draft Prospectus. While we believe that all such transactions have been conducted on an arm length's basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favourable commercial terms with other parties. Furthermore, it is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest which may be detrimental to our Company. Although in terms of the Companies Act, 2013, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board and Shareholders for certain related party transactions. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

20. ***Our funding requirements and proposed deployment of the Net Proceeds of the Issue are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.***

Our Company intends to use the Net Proceeds for the purposes described under section titled "Objects of the Issue" beginning on page 58 of this Draft Prospectus. Subject to this section, our management will have broad discretion on deployment of the Net Proceeds. Our funding requirements and the proposed deployment of the Net Proceeds of the Issue are based on management estimates, and our current business plan, and have not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies.

Further, the deployment of the Net Proceeds will be at the discretion of our Company and we cannot assure you that we will be able to monitor and report the deployment of the net proceeds in a manner similar to that of a monitoring agency, in the absence of a requirement for us to appoint one under the SEBI (ICDR) Regulations. We may have to revise our expenditure and funding requirements as a result of variations in costs, estimates, quotations or other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at the discretion of our Board.

21. ***Our Promoters, Directors and Key Managerial Personnel hold Equity Shares and are, therefore, interested in our Company's performance other than reimbursement of expenses incurred or normal remuneration of benefits.***

Our Promoters and certain of our Directors and Key Managerial Personnel, have interests in our Company other than to the extent of normal remuneration or benefits and reimbursement of expenses incurred. For details, please refer to section

titled "Our Management" beginning on page 96 of this Draft Prospectus. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders.

22. ***Our Promoters and Promoter Group will continue to retain significant control in our Company, which will allow them to influence the outcome of matters submitted to shareholders for approval.***

As of the date of this Draft Prospectus, our Promoter and Promoter Group holds approx. 75% pre-Issue share capital. After the completion of this Issue, our Promoters may continue to exercise significant control over us, including being able to control the composition of our Board and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, please refer to section titled "Capital Structure" beginning on page 47 of this Draft Prospectus.

23. ***Our application for the registration of GlobalSpace Technologies (Device and Trademark) is pending and the use of this or similar trade names by third parties may result in loss of business to such third parties, and any potential negative publicity relating to such third parties may adversely affect our reputation, the goodwill of our brand and business prospects.***

We believe that our success depends, in part, on our brand image. We believe that our trademarks and other proprietary rights have significant value and are important to identifying and differentiating our business from those of our competitors and creating and sustaining demand for our services. We have applied for the registration of "GlobalSpace Technologies" as appearing on the cover page of this Draft Prospectus, with the Registrar of Trademarks on June 16, 2016. We are yet to receive registration or final approval for use of such trademarks from the Registrar of Trademarks. For further information, please refer to section titled "Our Business – Intellectual Property Rights" beginning on page 89 of this Draft Prospectus. However, we cannot guarantee that any of our pending trademark applications will be approved by the applicable governmental authorities. Even if the applications are approved, third parties may seek to oppose or otherwise challenge these registrations.

We cannot assure you that the steps taken by us to protect our intellectual property rights will be adequate to prevent infringement of such rights by others, including misappropriation of our brand name. Third parties may provide services under our or similar brand name or marks which, may result in confusion among customers and loss of business for us. Any adverse experience of customers of such third parties or any negative publicity generated in respect of such third parties could negatively affect our reputation and business.

Further, if we are not successful in registering our trademark we will not be entitled to the statutory protections that are available to a trademark registered in India. The trademark may be registered in the name of another entity, thereby preventing us from using the trademark and the logo. In the absence of a registered trademark, the redress available to us may be limited to relief for passing off of our marks by others which could negatively affect our brand image, goodwill and business. Litigation in relation to our intellectual property could be expensive and time consuming and could divert management resources.

24. ***Our Company has availed certain unsecured loans that may be recalled by the lenders at any time.***

Our Company currently has availed unsecured loans of ₹119.31 lakhs as on November 30, 2016 which may be called by their lenders at any time. In the event that any lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to procure such financing, we may not have adequate working capital to undertake new projects or complete our ongoing projects. As a result, any such demand may adversely affect our business, cash flows, financial condition and results of operations. For further details on our financing arrangements please refer to section titled "Financial Indebtedness" beginning on page 154 of this Draft Prospectus.

25. ***Our Company has issued Equity Shares in the last twelve (12) months at a price which may be lower than the Issue Price.***

Our Company has issued Equity Shares in the last twelve (12) months, which may be at a price lower than the Issue Price.

For further details, please refer to section titled "Capital Structure" beginning on page 47 of this Draft Prospectus. Our Company may continue to issue Equity Shares at a price below the market price of Equity Shares.

26. ***Our debt financing agreements contain restrictive covenants that may adversely affect our business, credit ratings, prospects, results of operations and financial condition.***

Certain debt financing agreements that we have entered into contain restrictive covenants and/or events of default that limit our ability to undertake certain types of transactions. Certain of our debt financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities or entering into certain transactions. These debt financing agreements also require us to maintain certain financial covenants including in relation to maintenance of minimum net debt to EBITDA ratio, minimum tangible net worth, minimum fixed asset cover and maximum net gearing. Typically, restrictive covenants under our financing documents relate to obtaining prior consent of the lenders for, amongst others:

- ❖ Effect any change in the unit's capital structure.
- ❖ Implement any scheme of expansion /modernization /diversification, renovation or acquire any fixed assets during any accounting year, except such schemes which have already been approved by the Bank.
- ❖ Formulate any scheme of amalgamation or reconstruction.
- ❖ Invest by way of share capital or lend or advance funds to, or place deposits with any other concern, including sister/associate/family concerns. Normal trade credit or security deposits in the normal course of business or advances to employees can however be extended.
- ❖ Enter into borrowing arrangements either secured or unsecured with any other Bank, Financial institution, company or person
- ❖ Undertake guarantee obligations on behalf of any other company firm or person.
- ❖ Declare dividends for any year except out of profits relating to that year after making all due and necessary provisions and provided further that no default had occurred in any repayment obligations.

We cannot assure you that we have complied with all such restrictive covenants in a timely manner or at all or that we will be able to comply with all such restrictive covenants in the future. A failure to observe the restrictive covenants under our debt financing agreements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, levy of default interest, acceleration of all amounts due under such facilities and the enforcement of any security provided in relation thereto. Our Company is yet to receive NoC from our Company's lenders. Any acceleration of amounts due under such debt financing agreements may also trigger cross-default or cross-acceleration provisions under our other debt financing agreements. If the obligations under any of our debt financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such debt financing agreements, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or may face difficulties raising, further financing. In addition, in such eventuality, other third parties may have concerns over our financial position. Any of these circumstances could adversely affect our business, credit ratings, prospects, results of operations and financial condition. Moreover, any such action initiated by our lenders could result in the price of the Equity Shares being adversely affected.

## **EXTERNAL RISK FACTORS**

27. ***The markets in which we operate are subject to the risk of earthquakes, floods, tsunamis, storms and other natural and manmade disasters.***

Some of the regions that we operate in are prone to earthquakes, floods, tsunamis, storms and other natural and manmade disasters. In the event that any of our facilities are affected by any such disasters, we may sustain damage to our operations and properties, suffer significant financial losses or be unable to complete our customer engagements in a timely manner, if at all. Further, in the event of a natural disaster, we may also incur costs in redeploying personnel and property.

A major earthquake, flood or other natural disaster in the markets in which we operate could have an adverse effect on our business, financial condition and results of operations.

28. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by changes in law, or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations in India, applicable to us and our business.

The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have an adverse effect on our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of new regulations, which may also harm our results of operations. Any changes to such laws, including the instances briefly mentioned below, may adversely affect our business, financial condition, results of operations and prospects:

- The Government of India has proposed a comprehensive national GST regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. Given the limited availability of information in the public domain concerning GST, we are unable to provide any assurance as to the tax regime following implementation of GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.
- The General Anti Avoidance Rules ("**GAAR**") have recently been notified by way of an amendment to the Income Tax Act, 1961, and are proposed to come into effect from April 1, 2017. While the intent of this legislation is to prevent business arrangements set up with the intent to avoid tax incidence under the Income Tax Act, certain exemptions have been notified, viz., (i) arrangements where the tax benefit to all parties under an arrangement is less than ₹300.00 lakhs, (ii) where Foreign institutional Investors ("**FII**s") have not taken benefit of a double tax avoidance tax treaty under Section 90 or 90A of the Income Tax Act, 1961 and have invested in listed or unlisted securities with SEBI approval, (iii) where a non-resident has made an investment, either direct or indirect, by way of an offshore derivative instrument in an FII. Further, investments made up to March 31, 2017 shall not be subject to GAAR provided that GAAR may apply to any business arrangement pursuant to which tax benefit is obtained on or after April 1, 2017, irrespective of the date on which such arrangement was entered into.
- The Government of India has recently released safe harbor rules with respect to acceptance by the Indian tax authorities of declared transfer prices for certain types of international transactions (including intra-group loans and corporate guarantees and for the manufacture and export of core and non-core automotive components) between an eligible assessee and its associated enterprises, either or both of which are not Indian residents. The benefit, if any that we may derive from the application of such rules in the future is unclear. We have not determined the impact of these recent and proposed laws and regulations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Further, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings, or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

The application of various Indian and international sales, value-added and other tax laws, rules and regulations to services, currently or in the future, is subject to interpretation by the applicable taxation authorities. Many of the statutes and regulations that impose these taxes were established before the growth of the Internet and mobile networks. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties and, if we pass on such costs to our customers, it may result in a decrease in the demand for our services. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

29. ***Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;

- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- geopolitical events such as the Brexit referendum pursuant to which a majority of voters in the United Kingdom elected to withdraw from the European Union have had and may continue to have an adverse effect on global economic conditions and stability of the global financial markets;
- other significant regulatory or economic developments in or affecting India or its ER&D sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

30. ***Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.***

We propose to utilise the Net Proceeds as stated under section titled "Objects of the Issue". For further details of the proposed objects of the Issue, please refer to section titled "Objects of the Issue" beginning on page 58 of this Draft Prospectus. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in the Draft Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

31. ***Significant differences exist between Indian GAAP, used throughout our financial information and other accounting principles with which investors may be more familiar.***

As stated in the report of our auditors included in this Draft Prospectus, our financial statements are prepared and presented in conformity with Indian GAAP, consistently applied during the periods stated, except as provided in such reports, and no attempt has been made to reconcile any of the information given in this Draft 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, including IFRS.

Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is dependent on your familiarity with Indian GAAP and the Companies Act, 2013. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

32. ***Public companies in India, including us, are required to prepare financial statements under Ind AS and compute Income Tax under the Income Computation and Disclosure Standards (the "ICDS"). The transition to Ind AS and ICDS in India is very recent and we may be negatively affected by such transition.***

India has decided to adopt the "Convergence of its existing standards with IFRS" and not IFRS. These "IFRS based/synchronized Accounting Standards" are referred to in India as Ind AS. The Ministry of Corporate Affairs, Government, has through a notification dated February 16, 2015, set out the Ind AS and the timelines for their implementation. Accordingly, our Company is required to prepare its financial statements in accordance with Ind AS from April 1, 2016. Given that Ind AS is different in many respects from Indian GAAP under which our financial statements are currently prepared, our financial statements for the period commencing from April 1, 2016 may not be comparable to our historical financial statements.

There can be no assurance that the adoption of Ind AS will not affect our reported results of operations or financial condition. In addition, our management is devoting and will continue to need to devote time and other resources for the successful and timely implementation of Ind AS. Any failure to successfully adopt Ind AS may have an adverse effect on the trading price of the Equity Shares and/or may lead to regulatory action and other legal consequences. Moreover, our transition to Ind AS reporting may be hampered by increasing competition and increased costs for the relatively small number of Ind AS-experienced accounting personnel available as more Indian companies begin to prepare Ind AS financial statements. Any of these factors relating to the use of Ind AS may adversely affect our financial condition and results of operations.

In addition, the Ministry of Finance has issued a notification dated March 31, 2015 notifying ICDS which creates a new framework for the computation of taxable income. Subsequently, the Ministry of Finance, through a press release dated July 6, 2016, deferred the applicability of ICDS from April 1, 2015 to April 1, 2016 and is applicable from FY 2017 onwards and will have impact on computation of taxable income for FY 2017 onwards. ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. For further details, please refer to section titled "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" beginning on pages 114 and 143 respectively of this Draft Prospectus. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

33. ***Investors may not be able to enforce a judgment of a foreign court against us.***

Our Company is a company incorporated under the laws of India. All of our Company's Directors and executive officers are residents of India and a substantial portion of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "**Civil Code**"). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of the judgment.

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

We are not a listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI (LODR) Regulations which will require us to file audited annual and audited six (6) month reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required.

As a result, our management's attention may be diverted from other business concerns, which may adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

35. ***Any downgrading of India's debt rating by an international rating agency could adversely affect our business.***

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

36. ***The trading volume and market price of the Equity Shares may be volatile following the Issue.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

37. ***Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us and any sale of Equity Shares by our Promoters or significant shareholders may dilute your shareholding and adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares (*including under ESOPs*), convertible securities or securities linked to the Equity Shares by us may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India, may significantly affect the trading price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber the Equity Shares. The

disposal of Equity Shares by any of our significant shareholders, or the perception that such sales may occur, may significantly affect the trading price of the Equity Shares.

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

Capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than twelve (12) months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by an Indian stock exchange on which the equity shares are sold. As such, any gain realized on the sale of equity shares held for more than twelve (12) months by an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realized on the sale of equity shares held for a period of twelve (12) months or less will be subject to capital gains tax in India. Capital gains arising from the sale of equity shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of equity shares.

39. ***Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), 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 falls under any of the exceptions specified by the RBI, then the prior approval of RBI will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further details, please refer to section titled "Restrictions on Foreign Ownership of Indian Securities" beginning on page 216 of this Draft Prospectus.

40. ***Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our ability to pay dividends in the future will depend on a number of factors, including but not limited to the earnings, working capital requirements, contractual obligations, applicable legal restrictions and overall financial condition of our Company. We may decide to retain all of our Company's earnings to finance the development and expansion of our Company's business and therefore, our Company may not declare dividends on the Equity Shares. Any future determination as to the declaration and payment of dividend will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements.

### **Prominent Notes to Risk Factors**

- Public Issue of up to 30,34,000 Equity Shares of face value ₹10 each ("**Equity Shares**") of Globalspace Technologies Limited ("**GSTL**" or the "**Company**" or the "**Issuer**") for cash at a price of ₹[●] per equity share (the "**Issue Price**"), aggregating to ₹[●] lakhs (the "**Issue**"), of which, up to 1,54,000 Equity Shares of ₹10 each will be reserved for subscription by market makers to the issue (as defined in the section "**Definitions and Abbreviations**") (the "**Market Maker Reservation Portion**"). The issue less the market maker reservation portion i.e. Issue of up to 28,80,000 Equity Shares of ₹10 each is hereinafter referred to as the "**Net Issue**". The Issue and the Net Issue will constitute 26.48% and 25.14%, respectively of the post issue paid-up equity share capital of the Company.
- The net worth of our Company as of June 30, 2016 was ₹830.88 lakhs and as of March 31, 2016 was ₹701.47 lakhs on the basis of the Restated Financial Statements.
- The net asset value per Equity Share\* of our Company as of June 30, 2016 was ₹66.86 lakhs and as of March 31, 2016 was ₹60.20 lakhs on the basis of the Restated Financial Statements.  
\*After considering the impact of bonus shares subsequent to Fiscal ended March 31, 2016.
- The average cost of acquisition of Equity Shares by Mr. Krishna Singh is ₹5.09 as certified by Tolia & Associates, Chartered Accountants by the certificate dated December 15, 2016. For further details, please refer to section titled "Capital Structure" beginning on page 47 of this Draft Prospectus. The average cost of acquisition per Equity Share by our Promoter has been calculated by taking the average of the amounts paid by him to acquire the Equity Shares.

5. GlobalSpace Tech Limited was incorporated as a private limited company under the Companies Act, 1956 in the name of GlobalSpace Tech Private Limited at Mumbai vide Certificate of Incorporation dated December 22, 2010 bearing Corporate Identification Number (CIN) U64201MH2010PTC211219. Subsequently, the name of our Company was changed from GlobalSpace Tech Private Limited to GlobalSpace Technologies Private Limited on September 20, 2016. Pursuant to conversion of our Company to a public limited company, our name was changed to GlobalSpace Technologies Limited and a fresh certificate of incorporation consequent upon change of name on conversion to public limited company was issued by the RoC, Mumbai on November 30, 2016 bearing Corporate Identification Number (CIN) U64201MH2010PLC211219. For details of changes in name and registered office of our Company, please refer to the section titled "History and Certain Corporate matters" beginning on page 92 of this Draft Prospectus.
6. For details of related party transactions entered into by our Company, please refer to section titled "Related Party Transactions" beginning on page 112 of this Draft Prospectus.
7. There has been no financing arrangement whereby our Promoter Group, directors of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six (6) months immediately preceding the date of filing of the Draft Prospectus.
8. Investors may contact the Lead Manager or the Registrar to the Issue for any complaints, information or clarification pertaining to the Issue.

## SECTION III: INTRODUCTION

### SUMMARY OF INDUSTRY

*The information in this section has not been independently verified by us, the Lead Manager or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.*

#### **Introduction to the Indian Information Technology (IT) and Information Technology Enabled Services (ITEs)**

India is the world's largest sourcing destination for the information technology (IT) industry, accounting for approximately 67 per cent of the US\$ 124-130 billion market. The industry employs about 10 million workforces. More importantly, the industry has led the economic transformation of the country and altered the perception of India in the global economy. India's cost competitiveness in providing IT services, which is approximately 3-4 times cheaper than the US, continues to be the mainstay of its Unique Selling Proposition (USP) in the global sourcing market. However, India is also gaining prominence in terms of intellectual capital with several global IT firms setting up their innovation centres in India.

The IT industry has also created significant demand in the Indian education sector, especially for engineering and computer science. The Indian IT and ITeS industry is divided into four major segments – IT services, Business Process Management (BPM), software products and engineering services, and hardware.

#### **Market Size**

India ranks third among global start-up ecosystems with more than 4,200 start-ups.

#### **Investments**

Indian IT's core competencies and strengths have attracted significant investments from major countries. The computer software and hardware sector in India attracted cumulative Foreign Direct Investment (FDI) inflows worth US\$ 21.02 billion between April 2000 and March 2016, according to data released by the Department of Industrial Policy and Promotion (DIPP).

Indian start-ups are estimated to have raised US\$ 1.4 billion across 307 deals in quarter ending March 2016.

#### **Road Ahead**

India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India. Social, Mobility, Analytics and Cloud (SMAC) are collectively expected to offer a US\$ 1 trillion opportunity. Cloud represents the largest opportunity under SMAC, increasing at a CAGR of approximately 30 per cent to around US\$ 650-700 billion by 2020. The social media is the second most lucrative segment for IT firms, offering a US\$ 250 billion market opportunity by 2020. The Indian e-commerce segment is US\$ 12 billion in size and is witnessing strong growth and thereby offers another attractive avenue for IT companies to develop products and services to cater to the high growth consumer segment.

Exchange Rate Used: INR 1 = US\$ 0.0149 as on September 29, 2016

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

#### **Indian Pharmaceutical Industry**

The Indian pharmaceuticals market is the third largest in terms of volume and thirteenth largest in terms of value, as per a report by Equity Master. India is the largest provider of generic drugs globally with the Indian generics accounting for 20 per cent of global exports in terms of volume. Of late, consolidation has become an important characteristic of the Indian pharmaceutical market as the industry is highly fragmented.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level. Presently over 80 per cent of the antiretroviral drugs used globally to combat AIDS (Acquired Immuno Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

The UN-backed Medicines Patent Pool has signed six sub-licences with Aurobindo, Cipla, Desano, Emcure, Hetero Labs and Laurus Labs, allowing them to make generic anti-AIDS medicine TenofovirAlafenamide (TAF) for 112 developing countries.

### **Market Size**

The Indian pharma industry, which is expected to grow over 15 per cent per annum between 2015 and 2020, will outperform the global pharma industry, which is set to grow at an annual rate of 5 per cent between the same period.

India has also maintained its lead over China in pharmaceutical exports with a year-on-year growth of 11.44 per cent to US\$ 12.91 billion in FY 2015-16, according to data from the Ministry of Commerce and Industry. Imports of pharmaceutical products rose marginally by 0.80 per cent year-on-year to US\$ 1,641.15 million.

Overall drug approvals given by the US Food and Drug Administration (USFDA) to Indian companies have nearly doubled to 201 in FY 2015-16 from 109 in FY 2014-15. The country accounts for around 30 per cent (by volume) and about 10 per cent (value) in the US\$ 70-80 billion US generics market.

India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics is expected grow at an average growth rate of around 30 per cent a year and reach US\$ 100 billion by 2025. Biopharma, comprising vaccines, therapeutics and diagnostics, is the largest sub-sector contributing nearly 62 per cent of the total revenues at Rs 12,600 crore (US\$ 1.88 billion).

### **Investments**

The Union Cabinet has given its nod for the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to certain conditions.

The drugs and pharmaceuticals sector attracted cumulative FDI inflows worth US\$ 13.85 billion between April 2000 and March 2016, according to data released by the Department of Industrial Policy and Promotion (DIPP).

### **Government Initiatives**

The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture. Approval time for new facilities has been reduced to boost investments. Further, the government introduced mechanisms such as the Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines.

### **Road Ahead**

The Indian pharmaceutical market size is expected to grow to US\$ 100 billion by 2025, driven by increasing consumer spending, rapid urbanisation, and raising healthcare insurance among others.

Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers that are on the rise.

The Indian government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies.

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

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

For further details, please refer to section titled "Industry Overview" beginning on page 74 of this Draft Prospectus.

## SUMMARY OF OUR BUSINESS

Our Company is an Information and Communication Technology (ICT) company providing integrated software product platforms and solutions to enable large and medium enterprises embrace mobility & digital technology for their business enhancement. Our Company provides domain specific mobility & digital technology products by leveraging contemporary web, mobile technology, big data, analytics & custom hardware to deliver customizable and configurable solutions to different industry verticals. Our Company launched its flagship product for pharmaceutical industry in the year 2011.

Our core technology platform has been constantly evolving and now includes industry solutions in Banking, Financial Services, Insurance and Education. We believe that our Company has a considerable client list, which includes some of the reputed pharma companies, banking conglomerates & large education groups.

Our cloud hosted software solutions is structured in three (3) layers:

1. Core technology platform as the base layer, which includes complete mobility technology framework for enterprise with mobility security layer.
2. The middle layer on top of the mobility management suite, we have built the vertical specific lines of business apps including solutions that primarily address CRM, Sales force management, closed loop marketing tool, content management, learning management & channel management and developed as a native client on all three mobile operating systems like *Android, Windows & iOS*.
3. The top layer is the analytical layer developed using high end algorithms & big data that enables creating dash boards, real-time analytics, predictive and prescriptive analytics.

The enterprise solutions have been developed by our software professionals after understanding the nuances of the various industries and their specific requirements. The platform developed can be directly implemented by any company intending to implement Enterprise Mobility solutions. One of our key offerings for the pharmaceutical industry is "GloDIGITALL", which is a consultation driven end to end mobility solution. It comes as an integrated solution that includes device, technology, content framework and managed services for seamless and rapid deployment. Further, our enterprise mobility solutions can be integrated with the back-end systems of our clients leading to a hassle free migration of the existing systems of the client at no extra costs vis-à-vis platform and operating systems. Similarly, for the education space we offer "GloRE" (*a unique education solution*).

### Vertical specific Technology Solutions:

#### Pharma Domain:

- i. GloDIGITALL
- ii. MedsApp
- iii. GloCONSULT
- iv. GloKIOSK
- v. GloDNH (*Small-size Healthcare Technology Management Solution*)

#### BFSI Domain:

- i. GloFIN
- ii. GloKIOSK - Speed banking

#### Education Domain:

- i. GloKIOSK - Student Engagement Framework
- ii. GloRE

Apart from the software product platforms, our Company has designed and built enterprise specific tablet PCs/computing device brands with different form factors. These devices are offered when a client requires completely locked down devices with high end security. We provide the entire mobility management suite integrated at the Kernel layer of these devices.

Our Company has established strategic alliances with few of the leading software companies (Named OEM partner). To help establish PAN India reach and market coverage, our company has established channel relationship with AirTel to primarily sell the solutions into large enterprises.

Our revenues from continuing operations increased by a CAGR of 103% from ₹82 Lakhs in Financial Year 2011-2012 to ₹1,398 Lakhs in Financial Year 2015-2016. Our EBIDTA has increased by a CAGR of 66%, from ₹34 Lakhs in Financial Year 2011-2012 to ₹284 Lakhs in Financial Year 2015-2016.

## **Our Competitive Strengths**

The following are the key strengths which the Company believes enable it to be competitive in its business:

### **1. *Development of products incorporating latest technology trends.***

We update and upgrade our Software/Digital Products with the latest developments in all the mobile technology platforms by leveraging:

- i. Vertical specific and in-depth domain and industry knowledge
- ii. Agile Cloud based Mobility Technology platform and solutions
- iii. Center of Excellence where constant innovation happens on both the technology and the applications front

### **2. *Association with few of the leading software companies.***

Our association with few of the leading software companies provides authenticity, goodwill and reputation to our products and services. We offer the Windows operating system platform on our hardware devices, which can be easily integrated with the existing operating environment of clients as most of the client solutions run on operating systems that are Windows based. We have also expanded our product base on the Android and iOS platforms to support our prospective customers who are on these platforms. Our Intel based hardware offering i.e. the **SOLT (Solution Tablet)** is manufactured on the basis of design parameters set by us. The Intel processor inside **SOLT** provides the authenticity, stability and capability to **SOLT** as a platform on which our enterprise solutions operate. Further, as per our arrangement, these companies promote our solutions to its own clients where they are installing and developing operating systems and solutions. This arrangement with these companies provide and act as a lead to install our solutions with clients of these companies.

### **3. *Vast domain knowledge.***

Our Company's enterprise software solutions offerings for clients in industries such as pharmaceutical, education, banking, financial services and insurance reflect our knowledge and understanding of these sectors by our software developers ably enabled by domain experts. This entails us to keep ourselves updated on recent requirements of these sectors, update and upgrade our enterprise software solutions as per the requirements of these sectors. Technicalities and specifications of the domain are analyzed and explored so that they are made an integral part of the upgraded versions of our enterprise software solutions. We have over the years acquired in-depth domain knowledge, which enables us to constantly capture the growing needs of various sectors and accordingly update and upgrade the versions of our own solutions.

### **4. *Unique business model.***

We have a unique business model to support our business. We are a multi-technology enterprise company i.e. providing enterprise software solutions on all known operating systems viz. Windows, Android and iOS. We are also providing hardware, except in the case of iOS, which is compatible with the enterprise software solutions developed by us. This provides a thrust to our ability and capability to develop enterprise solutions for all the known platforms mentioned above. We can provide enterprise solutions to any client based on any of these platforms thereby enabling us to provide products to various companies.

### **5. *Strong management culture and a proactive work environment.***

We have built a strong management culture, which has stemmed from professionalism gained by the key management personnel having worked in reputed organizations without compromising on the core values and work ethics. Our management culture is collaborative and team-oriented, which is inherent in the way we do business and we believe this is a source of competitive advantage. Our management team comprises of technology professionals with experience in the domains of our clients. We believe that this blend, together with a strong management culture, helps our management team develop insights, anticipate trends in the market, and devise and execute our Company's strategy effectively. We also provide a conducive work environment to attract and retain talent as people are critical to our business and our ability to grow depends to a large extent on our ability to attract, train, motivate and retain employees. We have a highly skilled, well-trained and diverse employee base, which provides us with the flexibility to adapt to the needs of our clients and the technical requirements of the various projects that we undertake.

## **Our Business Strategies:**

The business strategy of the Company focuses on the following elements:

### **1. *Developing Vertical Specific Technology Solutions.***

Enterprise mobility solutions have slowly & gradually got attention of all the industries irrespective of the nature of Business they are into (B2B, B2B2C or B2C) as a silent revolution. There is a potential for fundamental, transformative benefits through improved efficiency & effectiveness of both business-level & personal-level processes. We shall continue to have our vertical approach towards industry sectors. We shall explore various industry segments like automobile, FMCG including the expansion of clientele in Pharma, Education and BFSI. Various industries can use our Enterprise Mobility solutions for automating their sales promotion, marketing, business intelligence and analytics requirements. Our Enterprise mobility based solutions tend to optimize complex field workforce efforts with customized & integrated technology along with robust support & comprehensive service model to enhance their productivity.

### **2. *Developing Horizontal Solutions.***

Apart from developing deep vertical presence, we will continue to also strengthen our core solutions to include the following:

- a. Latest in Mobility Technology
- b. Mobile Device Management
- c. Enterprise App Store
- d. Enterprise Content Management Store
- e. Cloud based Document Management Solution

### **3. *Geographical expansion for deeper segment penetration.***

We intend to expand our product offerings geographically within India and in the Middle-East by establishing offices. We will also augment our business development efforts by appointing distributors and service agents so as to penetrate these territories and market our products and offerings to potential customers. Our enterprise solution being a cloud based technology is easily accessible & deployable beyond Geographical limitations with scalable capabilities.

### **4. *Leveraging expertise in Mobility, Cloud and Analytics domain.***

We are developing a sound analytic strategy that involves step by step stakeholder participation and socializing them into the utility of the platform. Most importantly, dashboard updates will be designed to correspond to day to day planning or execution insights. In the short term the goal is to monitor, while in the long run the goal is to be able to formulate a Decision Support System for Planning and Execution. We are working on seamless integration of strong analytics with our solution in the backend which will provide insightful Business Intelligence for the clients.

### **5. *Brand Promotion.***

Our Company intends to market its brand and name "*GlobalSpace*" effectively so as to give impetus to its product offerings. Our Company intends to market and establish itself by (i) sponsoring various Technology events like DigiPharmaX Awards, which is also co-sponsored by one of the leading software companies; (ii) using the social media for marketing our products to potential clients; and (iii) participating in various global IT events. Our Brand promotion strategy orients around 3 critical factors:

- ❖ Customer focused value proposition
- ❖ Product innovation
- ❖ Quality strategy

### **6. *Innovative and Cutting Edge Technology.***

Our Company intends to expand its research and development capabilities to develop innovative products with cutting edge technology so as to be future ready with a wide range of product offerings with multiple technologies on various platforms catering to different industries. We are already working on the development of Enterprise Mobility solutions for various sectors like automobile, retail and expand our existing offerings in sectors like pharma, BFSI and Education. The entire technology platform evolution has gone through numerous iterations based on customer need, real time effectiveness, utility, feasibility, feedback & simplicity of MMI (*Man Machine Interface*). We believe in simplifying the efforts of field force using technology with ease & make it a measurable productivity.

## 7. *Creating a Centre of Excellence.*

Our Company strongly believes not only keeping up with latest technology developments and quick adoption of the same but also in investing in right set of people at various levels. We intend to establish a Centre of Excellence which shall have the latest infrastructure, technology and facilities to enable our employees to train further and obtain new skill sets. The Centre of Excellence shall train new recruits and make them capable to be directly deployed in the business of our Company so as to ensure seamless deployment of our products and servicing of clients. Our hiring strategy revolves around injecting stream of young developers with more emphasis on innovative though process & logic based approach rather than pure coders. We encourage &organise in-house technology discussion & knowledge sharing sessions to innovate new modes of development & incorporate new technologies to enhance our solution capability.

For further details, please refer to section titled "Our Business" beginning on page 77 of this Draft Prospectus.

### SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the Restated Financial Statements for the financial years ended March 31, 2016, 2015, 2014, 2013 and 2012 are presented under section titled "Financial Statements" beginning on page 114 of this Draft Prospectus. The summary financial statements presented below should be read in conjunction with the Restated Financial Statements, annexures thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 143 of this Draft Prospectus.

#### Summary Restated Financial Statements

##### Summary Statement of Assets & Liabilities, as restated

(₹ in lakhs)

Particulars	Annexure No	As at	As at	As at	As at	As at	As at
		June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<b>A EQUITY AND LIABILITIES</b>							
<b>1 Shareholders' funds</b>							
Share capital	5	124.27	116.52	94.84	94.84	30.70	2.80
Reserves and surplus	6	706.61	584.95	366.96	282.13	29.54	(0.45)
		<b>830.88</b>	<b>701.47</b>	<b>461.80</b>	<b>376.97</b>	<b>60.24</b>	<b>2.35</b>
<b>2 Share application money pending allotment</b>	7	38.07	-	-	-	208.50	236.40
<b>3 Non-current liabilities</b>							
Long -term borrowings	8	65.30	-	-	-	-	-
Deferred tax liabilities (net)	9	31.73	34.52	15.56	13.81	11.34	0.25
Long -term provisions	10	2.96	2.95	1.28	1.61	1.42	3.06
		<b>99.99</b>	<b>37.47</b>	<b>16.84</b>	<b>15.42</b>	<b>12.76</b>	<b>3.31</b>
<b>4 Current liabilities</b>							
Short-term borrowings	11	274.14	375.38	372.37	283.47	108.44	9.69
Trade payables	12						
- total outstanding dues of micro and small enterprises		-	-	-	-	-	-
- total outstanding dues of creditors other than micro and small enterprises		159.41	345.34	54.32	49.58	125.84	85.89
Other current liabilities	13	196.77	175.33	140.43	84.05	105.92	25.37
Short-term provisions	14	20.07	6.63	18.20	5.77	4.22	4.63
		<b>650.39</b>	<b>902.68</b>	<b>585.32</b>	<b>422.87</b>	<b>344.42</b>	<b>125.58</b>
<b>Total</b>		<b>1,619.33</b>	<b>1,641.62</b>	<b>1,063.96</b>	<b>815.26</b>	<b>625.92</b>	<b>367.64</b>
<b>B ASSETS</b>							
<b>1 Non Current assets</b>							
Fixed assets							
- Tangible assets	15	18.66	9.06	6.04	13.37	18.28	22.98
- Intangible asset	15	159.02	176.68	294.48	214.87	97.25	-
Long-term loans and advances	16	5.65	3.56	39.51	28.87	12.25	2.56
		<b>183.33</b>	<b>189.30</b>	<b>340.03</b>	<b>257.11</b>	<b>127.78</b>	<b>25.54</b>

Particulars	An nex ure No	As at	As at	As at	As at	As at	As at
		June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<b>2 Current assets</b>							
Inventories	17	622.22	676.88	70.43	369.92	256.57	272.61
Trade receivables	18	755.67	757.71	471.54	175.43	236.51	54.97
Cash and cash equivalents	19	13.04	5.28	3.57	10.61	2.82	2.49
Short-term loans and advances	20	45.07	12.44	178.40	2.19	1.22	10.87
Other current assets	21	-	-	-	-	1.03	1.16
		<b>1,436.00</b>	<b>1,452.31</b>	<b>723.94</b>	<b>558.15</b>	<b>498.15</b>	<b>342.10</b>
<b>Total</b>		<b>1,619.33</b>	<b>1,641.61</b>	<b>1,063.97</b>	<b>815.26</b>	<b>625.93</b>	<b>367.64</b>

## Summary Statement of Profits and Losses, as restated

(₹in lakhs)

Particulars	An nex ure No.	For the quarter ended	For the year				
		June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
<b>Revenue</b>							
Revenue from operations	22	378.66	1,398.22	1,079.77	615.66	406.56	81.78
Other income	23	-	-	0.33	-	2.07	0.88
<b>Total Revenue</b>		<b>378.66</b>	<b>1,398.22</b>	<b>1,080.10</b>	<b>615.65</b>	<b>408.63</b>	<b>82.66</b>
<b>Expenses</b>							
Purchases of stock in trade		145.65	1,390.98	570.86	421.75	220.26	17.22
Changes in inventory of stock in trade	24	54.66	(606.44)	61.47	(118.02)	(13.89)	-
Employee benefits expense	25	77.28	163.11	89.39	121.40	49.49	17.38
Finance costs	26	12.07	47.68	37.26	19.55	1.89	1.03
Depreciation and amortisation expense	27	19.40	120.40	54.56	44.46	71.28	6.03
Other expenses	28	36.40	165.60	178.88	74.31	32.04	13.25
<b>Total Expenses</b>		<b>345.46</b>	<b>1,281.33</b>	<b>992.42</b>	<b>563.45</b>	<b>361.07</b>	<b>54.91</b>
<b>Profit before tax</b>		<b>33.20</b>	<b>116.89</b>	<b>87.68</b>	<b>52.20</b>	<b>47.56</b>	<b>27.75</b>
<b>Tax Expense:</b>							
- Current tax		14.24	11.10	15.84	-	6.47	5.86
-MAT credit (entitlement)		-	-	(14.74)	(5.78)	-	-
- MAT credit utilised		-	35.24	-	5.78	-	-
- Tax adjustment of earlier years (net)		0.84	(10.82)	-	-	-	-
- Deferred tax- charge		(2.79)	18.94	1.75	2.47	11.10	-
<b>Profit for the period/year</b>		<b>20.91</b>	<b>62.43</b>	<b>84.83</b>	<b>49.73</b>	<b>29.99</b>	<b>21.89</b>

## Statement of Cash Flows, as restated

Particulars	For the quarter ended	For the year				
	June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
<b>A Cash flow from operating activities</b>						
Net profit before taxation	33.20	116.89	87.69	52.20	47.56	27.75
Adjustments for:						
Depreciation and amortisation	19.40	120.40	54.56	44.46	71.28	6.03
Equity shares issued in lieu of professional fees	-	37.24	-	-	-	-
Bad debts written off	-	-	-	-	2.40	-
Finance cost	12.07	47.68	37.26	19.55	1.89	1.03
Miscellaneous expenditure written off	-	-	-	1.03	0.13	0.39
<b>Operating profit before working capital changes</b>	<b>64.67</b>	<b>322.21</b>	<b>179.51</b>	<b>117.24</b>	<b>123.26</b>	<b>35.20</b>
Adjustments for:						
Increase/(decrease) in trade payables	(185.93)	291.02	4.74	(76.26)	39.95	85.89
Increase/(decrease) in other current liabilities	21.43	20.80	56.40	(21.87)	80.55	25.37
Increase/(decrease) in long term provisions	0.01	2.95	(0.33)	0.19	(1.42)	3.06
Increase/(decrease) in short term provisions	(0.13)	0.35	-	(1.03)	(0.13)	-
(Increase)/decrease in long term loans & advances	(2.10)	0.72	6.89	1.09	(9.69)	(2.56)
(Increase)/decrease in inventories	54.66	(606.45)	299.49	(113.35)	16.04	(272.67)
(Increase)/decrease in trade receivables	2.04	(286.16)	(296.11)	61.08	(184.15)	(54.97)
(Increase)/decrease in long term borrowings	65.30	-	-	-	-	-
(Increase)/decrease in short term loans & advances	(32.63)	165.96	(158.51)	(0.87)	9.65	(10.87)
<b>Cash generated from/(used in) operations</b>	<b>(12.68)</b>	<b>(88.60)</b>	<b>92.08</b>	<b>(33.78)</b>	<b>74.06</b>	<b>(191.55)</b>
Taxes paid (net of refunds, if any)	(1.53)	(12.20)	(23.91)	(15.23)	(6.47)	5.86
<b>Net cash generated from/(used in) operating activities(A)</b>	<b>(14.21)</b>	<b>(100.80)</b>	<b>68.17</b>	<b>(49.01)</b>	<b>67.59</b>	<b>(185.69)</b>
<b>B Cash flow from investing activities</b>						
Purchase of fixed assets	(11.33)	(5.64)	(126.85)	(157.16)	(166.93)	(25.41)
<b>Net cash (used in) investing activities (B)</b>	<b>(11.33)</b>	<b>(5.64)</b>	<b>(126.85)</b>	<b>(157.16)</b>	<b>(166.93)</b>	<b>(25.41)</b>
<b>C Cash flow from financing activities</b>						
Proceeds from short term borrowings	(101.24)	3.01	88.89	175.02	98.75	9.69
Proceeds from long term borrowings	-	12.83	-	-	-	-
Finance cost	(12.06)	(47.67)	(37.26)	(19.55)	(1.89)	(1.03)
Proceeds from issuance of share capital (including securities premium)	108.50	140.00	-	267.00	30.70	1.80
Receipt/(refund) of share application money	38.07	-	-	(208.50)	(27.90)	161.70

Particulars	For the quarter ended	For the year	For the year	For the year	For the year	For the year
	June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
<b>Net cash generated from financing activities (C)</b>	<b>33.27</b>	<b>108.17</b>	<b>51.63</b>	<b>213.97</b>	<b>99.66</b>	<b>172.16</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	7.73	1.73	(7.05)	7.80	0.32	(38.94)
<b>Cash and cash equivalents (opening)</b>	5.29	3.56	10.61	2.81	2.49	41.43
<b>Cash and cash equivalents (closing)</b>	13.04	5.29	3.56	10.61	2.81	2.49
<b>Net increase/(decrease) as disclosed above</b>	<b>7.73</b>	<b>1.73</b>	<b>(7.05)</b>	<b>7.80</b>	<b>0.32</b>	<b>(38.94)</b>

## THE ISSUE

The following is the summary of the Issue.

<b>A. Issue of Equity Shares</b>	Up to 30,34,000 Equity Shares of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating to ₹ [●] lakhs.
<i>Out of which:</i>	
Market Maker Reservation Portion	Up to 1,54,000 Equity Shares of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] lakhs.
Net Issue to the Public	Up to 28,80,000 Equity Shares of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] lakhs.
<i>Out of which:</i>	
Allocation to Retail Individual Investors for upto ₹2.00 lakhs	Up to 14,40,000 Equity Shares of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] lakhs.
Allocation to other investors for above ₹2.00 lakhs	Up to 14,40,000 Equity Shares of ₹10 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] lakhs.
<b>Pre and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	84,22,601 Equity Shares of ₹10 each
Equity Shares outstanding after the Issue	1,14,56,601 Equity Shares of ₹10 each
<b>Objects of the Issue</b>	Please refer to the section titled "Objects of the Issue" beginning on page 58 of this Draft Prospectus.

- (1) *This issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. For further details, please refer to section titled "Issue Related Information" beginning on page 175 of this Draft Prospectus.*
- (2) *The present issue has been authorised by our Board by way of resolution passed at its meeting held on November 10, 2016 and by our Shareholders by way of a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the EGM held on December 7, 2016.*

## GENERAL INFORMATION

GlobalSpace Tech Limited was incorporated as a private limited company under the Companies Act, 1956 in the name of GlobalSpace Tech Private Limited at Mumbai vide Certificate of Incorporation dated December 22, 2010 bearing Corporate Identification Number (CIN) U64201MH2010PTC211219. Subsequently, the name of our Company was changed from GlobalSpace Tech Private Limited to GlobalSpace Technologies Private Limited on September 20, 2016. Pursuant to conversion of our Company to a public limited company, our name was changed to GlobalSpace Technologies Limited and a fresh certificate of incorporation consequent upon change of name on conversion to public limited company was issued by the RoC, Mumbai on November 30, 2016 bearing Corporate Identification Number (CIN) U64201MH2010PLC211219. For details of changes in name and registered office of our Company, please refer to the section titled "History and Certain Corporate matters" beginning on page 92 of this Draft Prospectus.

### Registered Office of the Company

#### GlobalSpace Tech Limited

Office No. 605, 6th floor

A-1, B-Wing, Rupa Solitaire Building Millennium Business Park

MIDC, Mahape

Navi Mumbai 400 710, India.

Telephone: +91 22 4945 2014

CIN: U64201MH2010PLC211219

Website: www.globalspace.in

Email id: investors@globalspace.in

### Registrar of Companies

Our Company is registered at the Registrar of Companies, Mumbai located at 100, 5<sup>th</sup> floor, Everest, Near Marine Lines Railway Station, Marine Drive, Mumbai 400 002, India.

### Designated Stock Exchange

SME Platform of BSE

P.J. Towers, Dalal Street

Mumbai 400 001, India.

### Board of Directors

Our Company's board comprises of the following Directors:

Name, Nature of Directorship and DIN	Age	Residential Address
<b>Mr. Krishna Singh</b> <b>Chairman &amp; Managing Director</b> DIN No: 03160366	41 years	F/702, Hawre Panchawati Plaza, Plot No.92-96, Sector 5, Opp. Police Station, Ghansoli, Navi Mumbai 400701, Maharashtra, India.
<b>Mr. N.K. Venkitakrishnan</b> <b>Whole Time Director</b> DIN No: 06672569	49 years	Flat No.8, Plot No.7, Mumbadevi CHS Ltd, Sai Nagar, St. Anthony Road, Chembur, Mumbai 400071, Maharashtra, India.
<b>Ms. Beauty Singh</b> <b>Non- Executive Director</b> DIN No: 03481024	37 years	Opp. Police Station, Panchawati Plaza, F-702, Plot No.92-96, Sector 5, Ghansoli, Navi Mumbai 400701, Maharashtra, India.
<b>Mr. Subramanian Venkateswaran</b> <b>Independent Director</b> DIN No: 07628898	59 years	B-203, New Blue Heaven Co.op Society, Juhu Versova Link Road, Andheri (West), Mumbai 400053, Maharashtra, India.
<b>Mr. Yugal Sikri</b> <b>Independent Director</b> DIN No: 07576560	59 years	C-602, Oberoi Splendor, Fantasy Land, Opp. Majas Depot, J.V. Link Road, Jogeshwari (East), Mumbai 400060, Maharashtra, India.
<b>Mr. Venkatesh Vastare</b> <b>Independent Director</b> DIN No: 07648334	54 years	#D-501, Sterling Terraces, 100 Ft. Ring Road, BSK 3 <sup>rd</sup> stage, Bengaluru 560085, Karnataka, India.

For further details of the Board of Directors, please refer to the section titled "Our Management" beginning on page 96 of this Draft Prospectus.

### Company Secretary and Compliance Officer

#### Ms. Swati Arora

Office No. 605, 6th floor  
 A-1, B-Wing, Rupa Solitaire Building Millennium Business Park  
 MIDC, Mahape  
 Navi Mumbai 400 710, India.  
 Telephone: +91 22 4945 2014  
 CIN: U64201MH2010PLC211219  
 Website: www.globalspace.in  
 Email id: investors@globalspace.in

Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post- Issue related problems, such as non-receipt of Allotment Advice, credit of Allotted Equity Shares in the respective beneficiary account, or Refund Orders.

### Chief Financial Officer of our Company

Our Company has appointed Mr. Pranav Shah, as the Chief Financial Officer (CFO). His contact details are set forth hereunder:

#### Mr. Pranav Shah

Office No. 605, 6th floor  
 A-1, B-Wing, Rupa Solitaire Building Millennium Business Park  
 MIDC, Mahape  
 Navi Mumbai 400 710, India.  
 Telephone: +91 22 4945 2014  
 CIN: U64201MH2010PLC211219  
 Website: www.globalspace.in  
 Email id: investors@globalspace.in

### Lead Manager

#### Choice Capital Advisors Private Limited

Shree Shakambhari Corporate Park, Plot No 156-158  
 Chakravarti Ashok Society, J.B. Nagar  
 Andheri (East), Mumbai 400 099, India.  
 Telephone: +91 22 6707 9999  
 Facsimile: +91 22 6707 9959  
 Email id: gstl@choiceindia.com  
 Contact Person: Ms. Swati S/ Mr. Siddharth Sharma  
 Website: www.choiceindia.com  
 SEBI registration number: INM000011872  
 CIN: U65990MH2010PTC198262

### Registrar to the Issue

#### Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound  
 L.B.S Marg, Bhandup (West)  
 Mumbai 400 078, India.  
 Telephone: +91 22 6171 5400  
 Facsimile: +91 22 2596 0329  
 Email id: globalspace.ipo@linkintime.co.in  
 Investor grievance Email id: globalspace.ipo@linkintime.co.in  
 Contact Person: Ms. Shanti Gopalkrishnan  
 Website: www.linkintime.co.in  
 SEBI registration number: INR000004058  
 CIN: U67190MH1999PTC118368

### Legal Counsel to the Issue

#### Desai & Diwanji

**Advocates & Solicitors**  
 Lentin Chambers,  
 Dalal Street, Fort  
 Mumbai 400 001, India.  
 Telephone: +91 22 3984 1000  
 Facsimile: +91 22 2265 8245

### Statutory Auditors

#### M/s. Tolia & Associates, Chartered Accountants

B-7, Madhu Parag, 69 Swastik Society  
 JVPD Scheme, Vile Parle (West)  
 Mumbai 400 056, India.  
 Telephone: +91 22 2610 3538  
 Email: kptolia@gmail.com  
 Contact Person: Mr. K.P Tolia  
 Firm Registration No.: 111017W  
 Membership No.: 043637  
 Peer Review Certificate No.: 009249

Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and/ or the Lead Manager, in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account.

All grievances 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 applicant should give full details such as name of the sole or first applicant, ASBA Form number, applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the applicant. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove

### **Bankers to our Company**

#### **State Bank of India**

Showroom no 11, Rustomjee O-zone Building,  
Goregaon Mulund Link Branch, Goregaon (West),  
Mumbai 400 062, India.  
Telephone: +91 22 2871 0211/12/13  
Facsimile: +91 22 2871 0214  
Email: jyoti.poojary@sbi.co.in  
Contact Person: Ms. Jyoti Poojary  
Website: www.sbi.co.in

#### **ICICI Bank Limited**

Millenium Business Park, Sector 3, Building 2  
Unit 8, Mahape, MIDC  
Navi Mumbai 400 701, India.  
Telephone: +91 8108199901  
Facsimile: +91 22 6757 4353  
Email: thakur.chetan@icicibank.com  
Contact Person: Mr. Chetan Thakur  
Website: www.icicibank.com

### **Statement of *inter se* allocation of Responsibilities for the Issue**

Choice Capital Advisors Priavte Limited is the sole Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

### **Self Certified Syndicate Banks (SCSBs)**

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on [www.sebi.gov.in/pmd/scsb.pdf](http://www.sebi.gov.in/pmd/scsb.pdf). For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

### **Registered Brokers**

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 BSE at [www.bseindia.com](http://www.bseindia.com), as updated from time to time.

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

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at [www.bseindia.com](http://www.bseindia.com), as updated from time to time.

### **Collecting Depository Participants**

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at [www.bseindia.com](http://www.bseindia.com), as updated from time to time.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

### **Experts**

Except for the "Financial Statements" and the "Statement of Possible Tax Benefits Available to our Company and its Shareholders" beginning on pages 114 and 67 respectively of this Draft Prospectus, our Company has not obtained any expert opinions under the Companies Act. The term "expert" as used in the Draft Prospectus is not intended to be considered an "expert" within the meaning of Section 11 of the U.S. Securities Act.

**Brokers to the Issue**

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

**Credit Rating**

As the Issue is of Equity Shares, credit rating is not required.

**Trustees**

As the Issue is of Equity Shares, the appointment of trustees is not required.

**Debenture Trustees**

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

**IPO Grading**

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

**Monitoring Agency**

In terms of Regulation 16(1) of the SEBI (ICDR) Regulations, since the size of the present Issue is less than ₹5,000 million, our Company is not required to appoint a monitoring agency for the purposes of this Issue.

Although in terms of the Securities Listing Regulations, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

**Appraising Entity**

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

**Withdrawal of the Issue**

Our Company in consultation with the Lead Manager, reserve the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue anytime after the Issue Opening Date but before the allotment of Equity Shares, a public notice within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Draft Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

**Underwriting**

The Company and the Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten.

The Issue is 100% underwritten by the Lead Manager – Choice Capital Advisors Private Limited in the capacity of Underwriter to the issue. Pursuant to the terms of the Underwriting Agreement dated [●] entered into by us with Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters are registered with SEBI or registered as brokers with the stock exchange. The Details of the Underwriting commitments are as under:

(₹ in Lakhs)

Name, Address, Telephone, Fax, and Email of the Underwriters	Indicated number of Equity Shares to be Underwritten*	Amount Underwritten**	% of the total Issue size Underwritten
<b>Choice Capital Advisors Private Limited</b> Shree Shakambhari Corporate Park 156-158, Chakravarti Ashok Society J.B. Nagar, Andheri (East) Mumbai 400 099, India. Telephone: +91 22 6707 9999 Facsimile: +91 22 6707 9959 Email id: gstl@choiceindia.com Contact Person: Ms. Swati S Website: www.choiceindia.com SEBI registration number: INM000011872	30,34,000	[●]	100

\*Includes 1,54,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 106 V (4) of the SEBI (ICDR) Regulations.

\*\*After the determination of the Issue Price, our Company will enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

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

#### Details of Market Making Arrangement for the Issue

Our Company has entered into Market Making Agreement dated [●] with the following Market Maker to fulfill the obligations of Market Making for this issue:

<b>Name</b>	[●]
<b>Address</b>	[●]
<b>Telephone</b>	[●]
<b>Facsimile</b>	[●]
<b>E-mail</b>	[●]
<b>Website</b>	[●]
<b>Contact Person</b>	[●]
<b>SEBI Registration No.</b>	[●]
<b>Market Maker Registration No. (SME Segment of BSE)</b>	[●]

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

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

1. The Market Maker(s) (*individually or jointly*) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to offer their holding to the Market Maker(s) (*individually or jointly*) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 1,54,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing two (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 (5) Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. 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.
10. The Market Maker(s) shall have the right to terminate said arrangement by giving a three (3) months notice or on mutually acceptable terms to the 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 Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five (5) 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.

**11. Risk containment measures and monitoring for Market Makers:**

BSE SME Exchange will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

**12. Price Band and Spreads:**

SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹250 Crores, the applicable price bands for the first day shall be:

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

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

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

**13. Punitive Action in case of default by Market Makers:**

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

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

14. 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>
Upto ₹20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%
₹50 Crore to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

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

## CAPITAL STRUCTURE

Our Equity Share capital before the Issue and after giving effect to the Issue, as at the date of this Draft Prospectus, is set forth below:

		(In ₹)
No.	Particulars	Aggregate Value at Face Value
<b>A</b>	<b>Authorised Share Capital</b>	
	15,00,000 Equity Shares of ₹10 each	1,50,00,000
<b>B</b>	<b>Issued, Subscribed and Paid Up Capital before the Issue</b>	
	84,22,601 Equity Shares of ₹10 each	8,42,26,010
<b>C</b>	<b>Issued, Subscribed and Paid-up Capital after the Issue</b>	
	1,14,56,601 Equity Shares of ₹10 each	1,145.66
<b>D</b>	<b>Securities Premium Account</b>	
	Before the Issue	93.15
	After the Issue	●

\*The present Issue Equity Shares in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated November 10, 2016 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on December 7, 2016.

### 1. Details of changes in Authorised Share Capital

No.	Date of change	EGM/AGM/Postal Ballot	Authorised Share Capital (₹)	Details of change
1.	On Incorporation	--	1,00,00,000	Incorporated with an Authorised Share Capital of ₹1,00,00,000 comprising of 10,00,000 Equity Shares of ₹10 each.
2.	September 11, 2013	EGM	1,50,00,000	Increase in Authorised Share Capital from ₹1,00,00,000 comprising of 10,00,000 Equity Shares of ₹10 each to ₹1,50,00,000 comprising of 15,00,000 Equity Shares of ₹10 each.
3.	July 30, 2016	EGM	9,00,00,000	Increase in Authorised Share Capital from ₹1,50,00,000 comprising of 15,00,000 Equity Shares of ₹10 each to ₹9,00,00,000 comprising of 90,00,000 Equity Shares of ₹10 each.
4.	September 26, 2016	AGM	12,00,00,000	Increase in Authorised Share Capital from ₹9,00,00,000 comprising of 90,00,000 Equity Shares of ₹10 each to ₹12,00,00,000 comprising of 1,20,00,000 Equity Shares of ₹10 each.

### Notes on Capital Structure

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

##### Equity Share capital history of our Company

The following is the history of the Equity Share capital of our Company:

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Nature of allotment	Cumulative Number of Equity Shares	Cumulative Equity Share Capital (₹)	Cumulative Share Premium (₹)
On	10,000	10.00	10.00	Cash	Subscription	10,000	1,00,000	--

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Nature of allotment	Cumulative Number of Equity Shares	Cumulative Equity Share Capital (₹)	Cumulative Share Premium (₹)
Incorporation					to the MoA <sup>(1)</sup>			
March 22, 2012	18,000	10.00	10.00	Cash	Further allotment <sup>(2)</sup>	28,000	2,80,000	--
August 22, 2012	2,79,000	10.00	10.00	Cash	Further allotment <sup>(3)</sup>	3,07,000	30,70,000	--
May 22, 2013	5,85,000	10.00	10.00	Cash	Further allotment <sup>(4)</sup>	8,92,000	89,20,000	--
December 16, 2013	56,400	10.00	369.68	Cash	Further allotment <sup>(5)</sup>	9,48,400	94,84,000	2,02,85,952
August 25, 2015	20,408	10.00	49.00	Cash	Rights Issue (1:10) <sup>(6)</sup>	9,68,808	96,88,080	2,10,81,864
December 30, 2015	76,000	10.00	49.00	Other than cash	Private placement <sup>(7)</sup>	10,44,808	1,04,48,080	2,40,45,864
February 18, 2016	71,295	10.00	108.00	Cash	Rights Issue (1:10) <sup>(8)</sup>	11,16,103	1,11,61,030	3,10,32,774
March 21, 2016	49,073	10.00	108.00	Cash	Rights Issue (1:10) <sup>(9)</sup>	11,65,176	1,16,51,760	3,58,41,928
May 30, 2016	77,499	10.00	140.00	Cash	Rights Issue (1:10) <sup>(10)</sup>	12,42,675	1,24,26,750	4,59,16,798
July 1, 2016	27,194	10.00	140.00	Cash	Rights Issue (1:10) <sup>(11)</sup>	12,69,869	1,26,98,690	4,94,52,018
August 2, 2016	69,84,280	10.00	N.A.	N.A.	Bonus Issue (11:2) <sup>(12)</sup>	82,54,149	8,25,41,490	--
November 3, 2016	1,68,452	10.00	65.30	Cash	Private Placement <sup>(13)</sup>	84,22,601	8,42,26,010	93,15,396
<b>Total</b>	<b>84,22,601</b>					<b>84,22,601</b>	<b>8,42,26,010</b>	<b>93,15,396</b>

**Notes:**

- (1) Allotment on subscription to the Memorandum of Association to Mr. Siddhartha Xavier (1,000 Equity Shares); Mr. Dhiraj Sharma (1,000 Equity Shares); Mr. Krishna Singh (1,000 Equity Shares); and Mr. Paresh Shah (7,000 Equity Shares);
- (2) Allotment of equity shares to Mr. Siddhartha Xavier (6,000 Equity Shares); Mr. Dhiraj Sharma (6,000 Equity Shares); and Mr. Krishna Singh (6,000 Equity Shares);
- (3) Allotment of equity shares to Mr. Siddhartha Xavier (93,000 Equity Shares); Mr. Dhiraj Sharma (93,000 Equity Shares); and Mr. Krishna Singh (93,000 Equity Shares);
- (4) Allotment of equity shares to Mr. Siddhartha Xavier (1,95,000 Equity Shares); Mr. Dhiraj Sharma (1,95,000 Equity Shares); and Mr. Krishna Singh (1,95,000 Equity Shares);
- (5) Allotment of equity shares to Kreteka Investments Private Limited (56,400 Equity Shares);
- (6) Allotment of equity shares to Mr. Krishna Singh (20,408 Equity Shares) pursuant to Rights Issue (1:10);
- (7) Allotment of equity shares to Mr. Vishal Raghuvanshi (38,000 Equity Shares); and Mr. Amitabh Sinha (38,000 Equity Shares) for consideration other than cash pursuant to contract of services dated April 1, 2014.
- (8) Allotment of equity shares to Mr. Krishna Singh (20,370 Equity Shares); Ms. Aparna Purushottam (46,296 Equity Shares); and Mr. Binoy Purushottam (4,629 Equity Shares) pursuant to Rights Issue (1:10);
- (9) Allotment of equity shares to Mr. Krishna Singh (7,407 Equity Shares); and Mr. Binoy Purushottam (41,666 Equity Shares) pursuant to Rights Issue (1:10);
- (10) Allotment of equity shares to Mr. Krishna Singh (14,285 Equity Shares); Mr. Binoy Purushottam (27,500 Equity Shares); and Ms. Aparna Binoy (35,714 Equity Shares) pursuant to Rights Issue (1:10);
- (11) Allotment of Equity Shares to Mr. Krishna Singh (27,194 Equity Shares) pursuant to Rights Issue (1:10);
- (12) Allotment of equity shares to Mr. Siddhartha Xavier (10,17,775 Equity Shares); Mr. Dhiraj Sharma (10,17,775 Equity Shares); Mr. Krishna Singh (33,25,102 Equity Shares); Mr. Ajay Agarwal (38,500 Equity Shares); Kreteka Investment Private Limited (3,10,200 Equity Shares); Mr. Binoy Purushottam (4,05,873 Equity Shares); Ms. Aparna Purushottam (4,51,055 Equity Shares); Mr. Amitabh Sinha (2,09,000 Equity Shares); and Mr. Vishal Raghuvanshi (2,09,000 Equity Shares);
- (13) Allotment of Equity Shares to Ms. Biscaro Franceschina (84,226 Equity Shares); and Mr. Gianmarco Signorino (84,226 Equity Shares) on private placement basis.

### 3. Build-up of our Promoter's Shareholding, Promoter's Contribution and Lock-in

#### (a) Build-up of our Promoter's shareholding in our Company

The current promoter of our Company is Mr. Krishna Singh.

As on the date of this Draft Prospectus, our Promoter holds 39,29,666 Equity Shares, which constitutes approximately 46.66% of the issued, subscribed and paid-up Equity Share capital of our Company.

None of the Equity Shares held by our Promoter is subject to any pledge.

Set forth below is the build-up of the equity shareholding of our Promoter, since the incorporation of our Company.

#### Mr. Krishna Singh

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre issue equity share capital	% of post issue equity share capital	Sources of funds
On incorporation	1,000	10.00	10.00	Cash	Subscription to the MoA	0.01	0.01	Owned Fund
March 22, 2012	6,000	10.00	10.00	Cash	Further allotment	0.07	0.05	Owned Fund
August 22, 2012	93,000	10.00	10.00	Cash	Further allotment	1.10	0.81	Owned Fund
May 22, 2013	1,95,000	10.00	10.00	Cash	Further allotment	2.32	1.70	Owned Fund
August 25, 2015	20,408	10.00	49.00	Cash	Rights Issue (1:10)	0.24	0.18	Owned Fund
February 18, 2016	20,370	10.00	108.00	Cash	Rights Issue (1:10)	0.24	0.18	Owned Fund
February 18, 2016	1,09,950	10.00	33.00	Cash	Transfer from Mr. Siddhartha Xavier	1.31	0.96	Owned Fund
February 18, 2016	1,09,950	10.00	33.00	Cash	Transfer from Mr. Dhiraj Sharma	1.31	0.96	Owned Fund
March 21, 2016	7,407	10.00	108.00	Cash	Rights Issue (1:10)	0.09	0.06	Owned Fund
May 30, 2016	14,285	10.00	140.00	Cash	Rights Issue (1:10)	0.17	0.12	Owned Fund
July 1, 2016	27,194	10.00	140.00	Cash	Rights Issue (1:10)	0.32	0.24	Owned Fund
August 2, 2016	33,25,102	10.00	N.A.	N.A.	Bonus Issue (11:2)	39.48	29.02	N.A.
<b>Total</b>	<b>39,29,666</b>					<b>46.66</b>		

All the Equity Shares held by our Promoters were fully paid-up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

As on the date of this Draft Prospectus, our Promoters do not hold any preference shares in our Company.

**(b) Details of Promoters' Contribution Locked-in for Three (3) Years**

Pursuant to Regulation 32 of the SEBI (ICDR) Regulations, an aggregate of at least 20% of the post-Issue Equity Share capital of our Company held by our Promoters shall be locked for a period of three (3) years from the date of Allotment.

All the shares of our Company held by our Promoters and the Promoter Group shall be held in dematerialized form prior to filing of the Prospectus with the RoC.

Our Promoter has consented to the inclusion of such number of the Equity Shares held by him, in aggregate, as may constitute 20% of the post-Issue capital of our Company as Promoters' contribution and the Equity Shares proposed to form part of Promoters' contribution subject to lock-in shall not be disposed of/ sold/ transferred by our Promoters during the period starting from the date of filing this Draft Prospectus with the Stock Exchange until the date of commencement of the lock-in period.

Accordingly, Equity Shares aggregating to 20% of the post-Issue capital of our Company, held by our Promoters shall be locked-in for a period of three (3) years from the date of Allotment in the Issue as follows:

Details of Promoter's Contribution*							
Date on which the Equity Shares were Allotted/ Acquired and date when made fully paid-up	Consideration	Nature of allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	% of post-Issue share capital	Period of Lock-in
<i>Mr. Krishna Singh</i>							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	3 years from the date of allotment under the Issue
<b>Total</b>			[●]			[●]	

\*To be incorporated upon finalisation of the Issue Price.

The Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoters' under the SEBI (ICDR) Regulations. All Equity Shares held by our Promoter are eligible for lock-in under the SEBI (ICDR) Regulations. Our Company confirms that the Equity Shares which are being locked-in as Promoters Contribution do not, and shall not, consist of:

- (i) the Equity Shares offered for minimum Promoters' contribution have not been acquired in the three (3) years immediately preceding the date of this Draft Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets, nor have resulted from a bonus issue out of revaluation reserves or unrealized profits of our Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- (ii) the minimum Promoters' contribution does not include any Equity Shares acquired during the one (1) year immediately preceding the date of this Draft Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- (iii) the Equity Shares held by our Promoters which are offered for minimum Promoters' contribution are not subject to any pledge or any other form of encumbrance whatsoever; and
- (iv) all the Equity Shares of our Company held by the Promoters and the Promoter Group shall be held in dematerialized form prior to the filing of the Prospectus with the RoC.

Further, our Company has not been formed by the conversion of a partnership firm into a company and thus, no equity shares of the Company have been issued to our Promoters upon conversion of a partnership firm.

**(c) Details of Equity Shares Locked-in for One (1) Year**

In terms of Regulation 36 and 37 of the SEBI (ICDR) Regulations, other than the Equity Shares offered by the Promoters for the Minimum Promoter's Contribution, which will be locked-in as minimum Promoters' contribution for

three (3) years, all the pre-Issue Equity Shares shall be subject to lock-in for a period of one (1) year from the date of Allotment.

**(d) Other requirements in respect of lock-in**

In terms of Regulation 39 of the SEBI (ICDR) Regulations, locked-in Equity Shares for one (1) year held by our Promoters may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Promoters' contribution can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue.

In terms of Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than our Promoters prior to the Issue may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**") and such transferee shall not be eligible to transfer them until the lock-in period stipulated in the SEBI (ICDR) Regulations has elapsed.

Further, in terms of Regulation 40 of SEBI (ICDR) Regulations, the Equity Shares held by our Promoters may be transferred to and among the Promoter Group or to new promoters or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations and such transferee shall not be eligible to transfer them until the lock-in period stipulated in the SEBI (ICDR) Regulations has elapsed.

We further confirm that our Promoter's Contribution of 20.00% of the post-Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

**(e) Shareholding of our Promoters & Promoter Group**

The table below presents the shareholding of our Promoter and Promoter Group, who hold Equity Shares as on the date of filing of this Draft Prospectus:

Particulars	Pre-Issue		Post-Issue*	
	Number of Shares	Percentage (%) holding	Number of Shares	Percentage (%) holding
<b>Promoter</b>				
Mr. Krishna Singh	39,29,666	46.66	39,29,666	34.30
<b>Total (A)</b>	<b>39,29,666</b>	<b>46.66</b>	<b>39,29,666</b>	<b>34.30</b>
<b>Promoter Group</b>				
Mr. Dhiraj Kumar Sharma	12,02,825	14.28	12,02,825	10.50
Mr. Siddharth Xavier	12,02,825	14.28	12,02,825	10.50
<b>Total (B)</b>	<b>24,05,650</b>	<b>28.56</b>	<b>24,05,650</b>	<b>21.00</b>
<b>Total (A+B)</b>	<b>63,35,316</b>	<b>75.22</b>	<b>63,35,316</b>	<b>55.30</b>

\*Assuming full subscription to the Issue.

As on the date of filing of this Draft Prospectus, our Promoters and members of the Promoter Group do not hold any preference shares in our Company.

**4. Acquisition and sale/transfer of Equity Shares by the Promoter in last one (1) year**

There has been no acquisition, sale or transfer of Equity Shares by the Promoter in the last one (1) year preceding the date of filing of this Draft Prospectus except as set out below:

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction
February 18, 2016	20,370	10.00	108.00	Cash	Rights Issue
February 18, 2016	1,09,950	10.00	33.00	Cash	Transfer from Mr. Siddhartha Xavier

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction
February 18, 2016	1,09,950	10.00	33.00	Cash	Transfer from Mr. Dhiraj Sharma
March 21, 2016	7,407	10.00	108.00	Cash	Rights Issue
May 30, 2016	14,285	10.00	140.00	Cash	Rights Issue
July 1, 2016	27,194	10.00	140.00	Cash	Rights Issue
August 2, 2016	33,25,102	10.00	N.A.	N.A.	Bonus Issue
<b>Total</b>	<b>36,14,258</b>				

## 5. Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on September 30, 2016 as per Regulation 31 of the SEBI (LODR) Regulations.

(Face value of Equity Shares of ₹10 each)

Category (I)	Category of shareholder (I)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C 2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								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)		
								Class eg: X	Class eg: Y									Total
(A)	Promoter & Promoter Group	03	6335316	Nil	Nil	6335316	75.22	6335316	Nil	6335316	75.22	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(B)	Public	10	2087285	Nil	Nil	2087285	24.78	2087285	Nil	2087285	24.78	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(C)	Non Promoter-Non Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(C1)	Shares underlying DRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(C2)	Shares held by Employee Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>13</b>	<b>8422601</b>	<b>Nil</b>	<b>Nil</b>	<b>8422601</b>	<b>100</b>	<b>8422601</b>	<b>Nil</b>	<b>8422601</b>	<b>100</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

6. Except as set out below, none of the directors of our Company are holding any Equity Shares in our Company.

Particulars	Number of Shares	Percentage (%) holding
Mr. Krishna Singh	39,29,666	46.66
<b>Total</b>	<b>39,29,666</b>	<b>46.66</b>

7. None of the Equity Shares of our Company are subject to any pledge as on September 30, 2016.

8. None of the shareholding of the Promoters & Promoter Group is subject to lock-in as on the date of this Draft Prospectus.

9. Except as stated below, none of the Key Managerial Personnels hold Equity Shares in our Company as on the date of this Draft Prospectus.

Particulars	Number of Shares	Percentage (%) holding
Mr. Vishalsingh Raghuvanshi	2,47,000	2.93
Mr. Amitabh Sinha	1,23,500	1.47
<b>Total</b>	<b>3,70,500</b>	<b>4.40</b>

#### 10. Top Ten Shareholders of our Company

a. The top ten (10) shareholders of our Company as of the date of the filing of the Draft Prospectus with the Stock Exchange are as follows:

No.	Name of the Shareholder	Number of Equity Shares	Shareholding (%)
1.	Mr. Krishna Singh	39,29,666	46.66
2.	Mr. Dhiraj Sharma	12,02,825	14.28
3.	Mr. Siddharth Xavier	12,02,825	14.28
4.	Ms. Aparna Purshottam	5,33,065	6.33
5.	Mr. Binoy Purshottam	4,79,668	5.70
6.	Kreteka Investments Private Limited	3,66,600	4.35
7.	Mr. Vishal Raghuvanshi	2,47,000	2.93
8.	Mr. Amitabh Sinha	1,23,500	1.47
9.	Ms. Biscaro Franceshina	84,226	1.00
10.	Mr. Gianmarco Signorino	84,226	1.00
<b>Total</b>		<b>82,53,601</b>	<b>97.99</b>

b. The top ten (10) shareholders of our Company as of ten (10) days prior to the filing of the Draft Prospectus with the Stock Exchange are as follows:

No.	Name of the Shareholder	Number of Equity Shares	Shareholding (%)
1.	Mr. Krishna Singh	39,29,666	46.66
2.	Mr. Dhiraj Sharma	12,02,825	14.28
3.	Mr. Siddharth Xavier	12,02,825	14.28
4.	Ms. Aparna Purshottam	5,33,065	6.33
5.	Mr. Binoy Purshottam	4,79,668	5.70
6.	Kreteka Investments Private Limited	3,66,600	4.35
7.	Mr. Vishal Raghuvanshi	2,47,000	2.93
8.	Mr. Amitabh Sinha	1,23,500	1.47
9.	Ms. Biscaro Franceshina	84,226	1.00
10.	Mr. Gianmarco Signorino	84,226	1.00
<b>Total</b>		<b>82,53,601</b>	<b>97.99</b>

c. The top ten (10) shareholders of our Company as of two (2) years prior to the filing of the Draft Prospectus with the Stock Exchange are as follows:

No.	Name of the Shareholder	Number of Equity Shares	Shareholding (%)
1.	Mr. Krishna Murari Singh	2,95,000	31.10
2.	Mr. Dhiraj Sharma	2,95,000	31.10
3.	Mr. Siddharth Xavier	2,95,000	31.10
4.	Kreteka Investments Private Limited	56,400	5.95
5.	Mr. Ajjay R. Agarwal	7,000	0.75
<b>Total</b>		<b>9,48,400</b>	<b>100.00</b>

11. Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Prospectus.
12. Our Company has not issued and allotted Equity Shares in terms of scheme(s) approved under Section 391-394 of the Companies Act, 1956.
13. Our Company, its Directors, Promoter or the Lead Manager have not entered into any buy-back or standby arrangements for the purchase of the Equity Shares of our Company.
14. Our Company undertakes that there shall be only one (1) denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
15. Except as stated below, none of the Promoter Group, the Directors and their relatives have purchased or sold any Equity Shares during the period of six (6) months immediately preceding the date of filing of this Draft Prospectus with the Stock Exchange.

Date of Allotment	Name of the Acquirer	Number of Equity Shares	Face Value per Equity Share (₹)	Issue / Acquisition Price per Equity Share (₹)	Nature of Consideration	Nature of allotment
July 1, 2016	Mr. Krishna Singh	27,194	10.00	140.00	Cash	Rights Issue (1:10)
August 2, 2016	Mr. Krishna Singh	69,84,280	10.00	N.A.	N.A.	Bonus Issue (11:2)

16. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Prospectus.
17. The Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Prospectus.
18. Our Company has not made any issue of specified securities at a price lower than the Issue Price during the preceding one (1) year from the date of filing of this Draft Prospectus. However, our Company has made the following issues as set out below during the preceding one (1) year:

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Nature of allotment
December 30, 2015	76,000	10.00	49.00	Other than cash	Private placement
February 18, 2016	71,295	10.00	108.00	Cash	Rights Issue (1:10)
March 21, 2016	49,073	10.00	108.00	Cash	Rights Issue (1:10)
May 30, 2016	77,499	10.00	140.00	Cash	Rights Issue (1:10)
July 1, 2016	27,194	10.00	140.00	Cash	Rights Issue (1:10)
August 2, 2016	69,84,280	10.00	N.A.	N.A.	Bonus Issue (11:2)
November 3, 2016	1,68,452	10.00	65.30	Cash	Private Placement

19. Our Company has not issued Equity Shares out of Revaluation Reserves.
20. The Equity Shares issued pursuant to this Issue shall be fully paid-up.

21. Except as set out below, our Company has not issued any Equity Shares for consideration other than cash as on the date of this Draft Prospectus.

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Nature of allotment	Benefits accrued to our Company
December 30, 2015	76,000	10.00	49.00	Other than cash	Private placement & Preferential allotment	Services availed pursuant to the contract
<b>Total</b>	<b>76,000</b>					

22. Our Company has not made any public issue of any kind or class of securities of our Company within the immediately preceding two (2) years prior to filing this Draft Prospectus.
23. As on date of this Draft Prospectus, our Company has thirteen (13) shareholders.
24. Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on its business requirements, our Company may consider raising bridge financing facilities, pending receipt of the Net Proceeds of the Issue.
25. Our Company, Directors, Promoter or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this Draft Prospectus.
26. Our Company does not have any proposal or intention to alter the equity capital structure by way of split/ consolidation of the denomination of the Equity Shares, or the issue of securities on a preferential basis or issue of bonus or rights or further public issue of securities or qualified institutions placement within a period of six (6) months from the date of opening of the Issue. However, if business needs of our Company so require, our Company may alter the capital structure by way of split / consolidation of the denomination of the Equity Shares / issue of Equity Shares on a preferential basis or issue of bonus or rights or public or preferential issue of Equity Shares or any other securities during the period of six (6) months from the date of opening of the Issue or from the date the application moneys are refunded on account of failure of the Issue, after seeking and obtaining all the approvals which may be required.
27. Our Company has not revalued its assets during the last five (5) financial years.
28. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to three (3) years lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
29. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
30. 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.
31. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category
32. 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.
33. There are no Equity Shares against which depository receipts have been issued.
34. Other than the Equity Shares, there is no other class of securities issued by our Company.

35. This Issue is being made through Fixed Price method.
36. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering this Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within twenty four (24) hours of such transactions being completed.
37. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. As per Regulation 43(4) of the SEBI (ICDR) Regulations, since our is a fixed price Issue 'the allocation' is the

Net Issue to the public category shall be made as follows:

- Minimum fifty percent (50%) to retail individual investors; and
- Remaining to other than retail individual investors

The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category. If the retail individual investor category is entitled to more than fifty percent (50%) on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

38. Our Promoter and members of our Promoter Group will not participate in the Issue.
39. The Lead Manager and its associates do not hold any Equity Shares in our Company as on the date of filing this Draft Prospectus.

## SECTION IV: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the SME platform of BSE.

The objects of the Issue are:

1. Expenditure on Research and Development;
2. Advertising and sales promotion;
3. Funding incremental working capital requirements; and
4. General Corporate Purposes.

(collectively, referred to herein as "**Objects**").

We believe that listing will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India. The main objects clause of our Memorandum enables us to undertake the activities for which funds are being raised in this Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

### Issue Proceeds

The details of the proceeds of the Issue are summarised in the table as stated below:

(₹ in Lakhs)

Particulars	Estimated Amount*
<b>Gross Issue Proceeds*</b>	[●]
Less: Issue related expenses	[●]
<b>Net Issue Proceeds</b>	[●]

\* To be determined on finalisation of the Issue Price and updated in the Prospectus prior to the filing with the RoC.

### Means of Finance

We intend to completely finance our Objects from Net Proceeds.

Since the requirements of the objects detailed above are intended to be funded from the Proceeds of the Issue, there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or other financial conditions and other external factors.

We may have to revise our estimated costs, fund allocation and fund requirements owing to factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular object at the discretion of our management. In the event that estimated utilization out of the Net Proceeds in a Fiscal is not completely met, the same shall be utilized (in part or full) in subsequent periods as may be determined by our company in accordance with the applicable laws in the next Fiscal.

Our historical capital expenditure may not be reflective of our future capital expenditure plans. We may have to revise our estimated costs, fund allocation and fund requirements owing to factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through Internal Accruals and/or debts and in such case the Funds raised shall be utilized towards repayment of such debts or recouping of Internal Accruals.

While we intend to utilise the proceeds of the Issue 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 will bridge the fund requirements from internal accruals and/or debt/equity financing.

### Utilization of Net Proceeds

The proposed utilisation of the Net Proceeds is set forth in the table as stated below:

Particulars	Amount (₹ in Lakhs)
Expenditure on Research and Development	450.79
Advertising and sales promotion	647.48
Funding incremental working capital requirements <sup>(1)</sup>	[●]
General Corporate Purposes <sup>(2)</sup>	[●]
<b>Total Net Proceeds</b>	<b>[●]</b>

(1) To be determined on finalisation of the Issue Price and updated in the Prospectus prior to the filing with the RoC.

(2) The amount utilised for general corporate purposes shall not exceed 25% of the Gross proceeds of the Fresh Issue. The exact amount will be determined on finalisation of the Issue Price and updated in the Prospectus prior to the filing with the RoC.

### Schedule of Implementation and Deployment of Net Proceeds

The Net Proceeds are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in Lakhs)

Particulars	Amount proposed to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds	
		Fiscal 2017	Fiscal 2018
Expenditure on Research and Development	450.79	113.11	337.68
Advertising and sales promotion	647.48	180.36	467.12
Funding incremental working capital requirements <sup>(1)</sup>	[●]	[●]	[●]
General Corporate Purposes <sup>(2)</sup>	[●]	[●]	[●]
<b>Total Net Proceeds</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

(1) To be determined on finalisation of the Issue Price and updated in the Prospectus prior to the filing with the RoC.

(2) The amount utilised for general corporate purposes shall not exceed 25% of the Gross proceeds of the Fresh Issue. The exact amount will be determined on finalisation of the Issue Price and updated in the Prospectus prior to the filing with the RoC.

### Details of the Objects of the Issue

The details in relation to the objects of the Fresh Issue are set forth below

#### 1. Expenditure on Research and Development

We believe our R&D and technology capabilities represent our core competency and a key competitive advantage. Our R&D division enables us to comprehensively integrate and manage the entire R&D value chain from conceptualisation, design and prototyping, to testing, development and commercial release. The technology used in our products is typically developed in-house, though we may license certain technology or other software and integrate that with our solutions as well.

To maintain and advance our position in the market, we intend to continue to innovate and develop solutions with the latest technology for existing and upcoming platforms. In addition to continued investments in development of new solutions, we may pursue acquisitions or investments or licensing of technologies that complement our portfolio. Our objective is to continue to enhance and broaden our portfolio of solutions to address our customers' evolving needs, ultimately driving greater customer growth, increased retention and revenue from new customer adoption.

In our continuing effort to strengthen our R&D capabilities, we propose to deploy Rs. 450.79 Lakhs of Net Proceeds towards funding our expenditure towards R&D for developing our existing and new products including establishment of new Office on lease/rent basis in Mumbai to accommodate a larger team of R&D personnel, establishment of workstations for PAN India customer support and after sale support services, office equipment – hardware and appointment of R&D personals. For further details of products, please refer to section titled "Our Business" beginning on page 77 of this Draft Prospectus.

The product wise estimated expenditure towards research and development, are as set forth in the table below:

(₹ In Lakhs)

No.	Name of product	Proposed deployment		Total Estimated Cost
		FY 2017	FY 2018	
1.	MedsApp	8.78	24.40	33.10
2.	E-REP	37.13	111.40	148.53
3.	GloRE	23.67	71.00	94.67
4.	ANALYTICS PLATFORM	10.42	31.52	41.93
5.	GloDIGITALL	18.80	56.40	75.20
6.	GloDNH	14.32	42.96	57.28
	<b>Total</b>	<b>113.11</b>	<b>337.68</b>	<b>450.79</b>

We have estimated the fund requirement for advertising and sales promotion based on quotations from various vendors/agency(ies), our recent purchases/recruitments and prevailing market prices.

## 2. Advertising and sales promotion

Brands are a means of differentiating an entity's products and services from those of its competitors. A strong brand will help us to make our services distinct and more reliable in competition. It will also increase awareness about the services provided by our company. In line with our company's expansion plan, we propose to establish a recognized brand of our company. For this purpose, we intend to invest in advertising and sales promotion activities across various media channels to increase our brand recognition among our existing and potential users vis-à-vis our competitors.

We also intend to enhance our geographic penetration and sales in newer towns and cities to leverage the growth opportunities offered by them. Accordingly, we intend to spend significant financial resources over the next two fiscal years towards advertising and sales promotion as well as brand building activities. We believe that this continuous branding exercise will not only help us retain and develop our customer base, but also enhance our brand recall value in the minds of customers. In addition, it would enable greater visibility for our products in the market, which we believe should lead to a rise in demand for our products and improve our competitive positioning.

For this purpose, we have budgeted a brand building exercise for our existing and new products of ₹647.48 spread over a period of two years in addition to the marketing spend that is part of our existing business plan. Our brand building exercise would consist of expenditure on traditional marketing as well as digital marketing, office equipment – hardware and appointment of marketing personals. For further details of products, please refer to section titled "Our Business" beginning on page 77 of this Draft Prospectus.

The product wise estimated expenditure towards advertising and sales promotion for fiscal years 2017 and 2018, are as set forth in the tables below:

(₹ In Lakhs)

No.	Particulars	Proposed deployment		Total Estimated Cost
		FY 2017	FY 2018	
1.	GloDIGITALL	50.64	145.92	196.56
2.	MedsApp	37.65	113.00	150.65
3.	GLOKIOSK	21.40	45.20	66.60
4.	GLOCONSULT	22.80	48.40	71.20
5.	GloFIN	23.13	45.40	68.53
6.	GloRE	24.73	69.20	93.93
	<b>Total</b>	<b>180.36</b>	<b>467.12</b>	<b>647.48</b>

We have estimated the fund requirement for advertising and sales promotion based on quotations from various vendors/agency(ies), our recent purchases/recruitments and prevailing market prices.

## 3. Funding incremental working capital requirements

Our Company's existing working capital requirement and funding on the basis of our Restated Financial Statements as of March 31, 2016 and March 31, 2015 are stated below:

Particulars	Fiscal 2016	Fiscal 2015
<b>Current Assets</b>		
Inventory	676.88	70.43
Trade Receivables	757.71	471.54
Cash & Cash Equivalent	5.28	3.57
Short term loans and advances	12.44	178.40
Other current assets		
<b>Total Current Assets(A)</b>	<b>1,452.31</b>	<b>723.94</b>
<b>Current Liabilities</b>		
Trade Payables	345.34	54.32
Short Term Provisions	6.63	18.20
Other Current Liabilities	175.33	140.43
<b>Total Current Liabilities (B)</b>	<b>527.31</b>	<b>212.95</b>
<b>Net Working Capital (A)-(B)</b>	<b>925.01</b>	<b>510.99</b>
<b>Sources of Working Capital</b>		
Banks Borrowings	3.01	88.89
Internal Accruals & Capital	411.00	13.96
<b>Total</b>	<b>414.01</b>	<b>102.85</b>

On the basis of our existing working capital requirements and the incremental working capital requirements, our Board pursuant to their resolutions dated December 13, 2016 has approved the business plan for the five year period for Fiscals 2017, 2018, 2019, 2020 and 2021 and the projected working capital requirements for Fiscals 2017 and 2018 as stated below:

Particulars	Fiscal 2017	Fiscal 2018
<b>Current Assets</b>		
Inventory	854.00	1,082.00
Trade Receivables	1,438.36	1807.53
Cash & Cash Equivalent	13.04	13.04
Short term loans and advances	67.61	108.17
Other current assets	--	--
<b>Total Current Assets (A)</b>	<b>2,373.00</b>	<b>3,010.74</b>
<b>Current Liabilities</b>		
Trade Payables	302.88	333.17
Short Term Provisions	334.50	367.95
Other Current Liabilities	67.60	52.14
<b>Total Current Liabilities (B)</b>	<b>704.98</b>	<b>753.26</b>
<b>Net Working Capital (A) - (B)</b>	<b>1,668.02</b>	<b>2,257.49</b>
<b>Incremental Working Capital</b>	<b>608.29</b>	<b>589.46</b>
<b>Sources of Working Capital</b>		
Net Proceeds of the Issue	[●]	[●]
Banks Borrowings	[●]	[●]
Internal Accruals, Capital & others	[●]	[●]
<b>Total Source</b>	<b>[●]</b>	<b>[●]</b>

#### Key Assumptions and Justifications

Particulars	Assumptions made and Justifications
Inventories	In FY 16-17 and FY 17-18 we have assumed inventory of around 2.97 & 2.89 months respectively as we strive to improve our inventory management more proactively, monetised inventory in hand and reduce lead time for conversion of inventory into revenue.

Trade receivables	In FY 16-17 and FY 17-18 we have assumed trade receivable of 5.00 & 4.83 months respectively as the company has appointed dedicated credit control team to collect the outstanding dues and also management will sign the new customer with favourable credit terms. The above steps with effective monitoring will improve collection and reduce trade receivables.
Trade Payables	In FY 16-17 and FY 17-18 we have assumed trade receivable of 1.18 & 1.02 months respectively as the company will be strive towards stricter credit policy for better pricing terms and to ensure continued relationship with existing vendors.

Our Company proposes to utilise ₹[●] lakhs and ₹[●] lakhs of the Net Proceeds in Fiscals 2017 and 2018 respectively, towards our working capital requirements to reduce dependence on bank based working capital funding and to support continued growth in business.

Pursuant to the certificate dated December 15, 2016, Tolia & Associates, Chartered Accountants, our company have compiled the working capital estimates from the Restated Standalone Financial Statements and the working capital projections as approved by the Board by the resolutions dated December 13, 2016.

#### 4. General Corporate Purpose

Our Company intends to deploy not more than 25% of the Issue proceeds aggregating to ₹[●] Lakhs, towards the general corporate purposes, including but not restricted to strategic initiatives and acquisitions, entering into strategic alliances, partnerships, joint ventures, working capital requirements, part or full debt repayment/pre-payment of our Company, establishment of new offices, etc. and meeting exigencies and contingencies for the project, which our Company in the ordinary course of business may not foresee, or any other purposes as approved by our Board of Directors.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, which are not applied to the other purposes, set out above.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by the Board subject to applicable laws. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object, i.e., the utilization of Net Proceeds. In case of a shortfall in Net Proceeds, our management may explore a range of options including utilizing our internal accruals or seeking debt from future lenders. Our management expects that such alternate arrangements would be available to fund any such shortfall. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

#### Interim use of Net Proceeds

Pending utilization of the net proceeds from the Issue, in accordance with the SEBI (ICDR) Regulations, our Company shall deposit the funds only in one or more 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 it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

#### Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds.

#### Issue Related Expenses

The total Issue related expenses are estimated to be approximately ₹[●] . The Issue related expenses consist of fees payable to the LMs, listing fees, underwriting fees, selling commission, fees payable to the legal counsel, Registrar to the Issue, Banker to the Issue including processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to

Registered Brokers, RTAs and CDPs, printing and stationary expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. All expenses in relation to the Issue shall be borne by the Company. The break-up for the estimated Issue expenses are as follows:

Expenses	Amount (₹ in Lakhs)	As a % of total estimated Issue related expenses	As a % of Issue size
Payment to Merchant Banker including underwriting and selling commissions and payment to other intermediaries such as Legal Advisor, Registrar, Market Maker, Bankers etc. and other out of pocket expenses	[●]	[●]	[●]
Printing, Stationery and postage expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Regulatory fees and other expenses	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

### Funds Deployed and Source of Funds Deployed

M/s. Tolia & Associates, Chartered Accountants have *vide* certificate dated December 15, 2016, confirmed that as on December 15, 2016 following funds were deployed for the proposed Objects of the Issue out of the Company's internal accruals:

(₹ in Lakhs)

Particulars	Amount
Issue Expenses	3.46
<b>Total</b>	<b>3.46</b>

### 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.

### Monitoring Utilisation of Funds

As the Issue size is less than ₹50,000 Lakhs, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board will monitor the utilization of the Net Proceeds through its Audit Committee. Pursuant to the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

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

### Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the shareholders by way of a special resolution. In addition, the notice issued to the shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013. Pursuant to the Companies Act 2013, the Promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Issue at the fair market value of the Equity Shares as on the date of the resolution of our Board recommending such variation in the terms of the contracts or the objects referred to in the Draft Prospectus, in accordance with such terms and conditions as may be specified on this behalf by the SEBI.

### Other Confirmations

Other than as disclosed above no part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, members of the Promoter Group, our Directors, Key Management Personnel except as may be required in the usual course of

business. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with Promoters, Directors, key management personnel, in relation to the utilization of the Net Proceeds of the Issue.

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Lead Manager on the basis of assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹10 each and the Issue Price is [●] times the face value. Investors should also refer to the sections titled "Our Business"; "Risk Factors"; and "Financial Statements" beginning on pages 77; 15; and 114 respectively of this Draft Prospectus, to have an informed view before making an investment decision.

### Qualitative Factors

We believe the following are our competitive strengths:

1. Development of products incorporating latest technology trends.
2. Association with few of the leading software companies.
3. Vast domain knowledge.
4. Unique business model.
5. Strong management culture and a proactive work environment.

For further details, please refer to the sections titled "Our Business"; and "Risk Factors" beginning on pages 77; and 15 respectively of this Draft Prospectus.

### Quantitative Factors

The information presented in this section is derived from our Company's restated financial statements prepared in accordance with Companies Act and the SEBI ICDR Regulations.

Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic and Diluted Earnings per Share (EPS) (On Face Value of ₹10 per share)

Financial Period	Basic EPS (₹)	Diluted EPS (₹)	Weight
Financial Year 2014	6.02	6.02	1
Financial Year 2015	8.94	8.94	2
Financial Year 2016	6.31	6.31	3
<b>Weighted average</b>	7.14	7.14	
Three months ended June 30, 2016 (non annualised)	1.78	1.78	

#### Notes:

- The figures disclosed above are based on the restated financial statements of the Company.
- The face value of the Equity Share is ₹10 per Share.
- Basic EPS and Diluted EPS calculations are in accordance with the Accounting Standard 20 (AS-20)'Earnings Per Share' issued by ICAI.
- The earnings per share has been computed by dividing net profit/(loss) after tax, as restated attributable to shareholders divided by the weighted average number of shares outstanding for the year/period.

#### 2. Price to Earnings (P/E) ratio in relation to issue price of [●] per equity share of ₹ 10/- each fully paid-up.

Particulars	P/E Ratio
P/E ratio based on Basic & Diluted EPS for FY 2015-16	[●]
P/E ratio based on Weighted Average Basic & Diluted EPS	[●]

Note: Currently, there are no listed companies in the peer group company which are strictly comparable to us with respect to the industry in which we operate and the size of our Company.

#### 3. Return on Net Worth (RoNW):

Period	Weight	RONW%
March 31,2014	1	13.91%
March 31,2015	2	18.37%

Period	Weight	RONW%
March 31, 2016	3	8.90%
<b>Weighted Average RoNW</b>		<b>12.77%</b>
Three months ended June 30, 2016 (non annualised)		2.52%

**Note:**

The Return on Net Worth has been computed by dividing net profit/(loss) after tax, as restated, by Net Worth as at the end of the year. There is no revaluation reserve or miscellaneous expenditure (to the extent not written off).

**4. Minimum Return on Total Net-worth Post Issue required to maintain Pre Issue EPS for the year ended March 31, 2016 is [●].**

**5. Net Assets Value (NAV) (On Face Value of ₹10 per share)**

Particulars	Amount in (₹)
Net asset value per equity share as at March 31, 2016	60.20
Net asset value per equity share as at June 30, 2016	66.86
Issue Price per Equity Share	[●]
Net asset value per equity share after the Issue	[●]

Net Asset Value per Equity Share represents net worth, as restated, divided by the number of Equity Shares outstanding at the end of the period.

**6. Peer Group Comparison of Accounting Ratios**

Our Company is an Information and Communication Technology (ICT) company providing integrated software product platforms and solutions to enable large and medium enterprises embrace mobility & digital technology for their business enhancement.

Currently, there are no listed companies in the peer group company which are strictly comparable to us with respect to the industry in which we operate and the size of our Company.

Our Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of ₹[●] per share for the Public Issue is justified in view of the above parameters. The investors may also want to pursue the sections titled "Risk Factors"; and "Financial Statements" beginning on pages 15; and 114 respectively of this Draft Prospectus to have a more informed view about the investment proposition. The face value of the Equity Shares is ₹10 per share and the Issue Price is [●] times of the face value i.e. ₹[●] per share.

For further details, please refer to section titled "Risk Factors" beginning on page 15 of this Draft Prospectus and the financials of the Company including profitability and return ratios, as set out under section titled "Financial Statements" beginning on page 114 of this Draft Prospectus for a more informed view.

**STATEMENT OF POSSIBLE TAX BENEFITS****Statement of possible tax benefits available to the company and its shareholders**

The Board of Directors,  
**Globalspace Technologies Limited,**  
605, 6<sup>th</sup> Floor, A-1, 'B' Wing,  
Rupa Solitaire Building, MIDC,  
Mahape,  
Navi Mumbai -400710.

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

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

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We do not express any opinion or provide any assurance as to whether:

- The Company or its shareholders will continue to obtain these benefits in future; or
- The conditions prescribed for availing the benefits, where applicable have been/would be met.
- The revenue authorities/courts will concur with the views expressed herein.

**For Tolia & Associates**

Chartered Accountants  
Firm Registration Number: 111017W

**Kiran P. Tolia**

Proprietor  
Membership Number: 043637

Mumbai, December 13, 2016

## ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO GLOBALSPACE TECHNOLOGIES LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2016-17 (Assessment Year 2017-18).

### A) Special Tax Benefits available to the Company.

There are no special tax benefits available to the Company under the provisions of the Income Tax Act, 1961.

### B) Other Benefits to the Company under the Income Tax Act, 1961 (The “Act”)

#### A. Business Income

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

#### B. MAT Credit

- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax (‘MAT’) paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.
- As per Section 115JB, Minimum Alternate Tax (‘MAT’) is payable @18.5% of the Book profits computed in accordance with the provisions of this section, where income-tax computed under the normal provisions of the Act is less than 18.5% of the Book profits as computed under the said section. A surcharge on income tax of 7% would be levied if the total income exceeds ₹10 million but does not exceed Rs 100 million. A surcharge at the rate of 12% would be levied if the total income exceeds Rs 100 million. Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge.
- MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to ten years succeeding the assessment year in which the MAT credit arises.

#### C. Capital Gains

##### (i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as long - term capital gains (‘LTCG’). In respect of any other capital assets, the holding period should exceed thirty - six months to be considered as long - term capital assets.
- Short - term capital gains (‘STCG’) means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.

- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bond exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent eight assessment years.

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

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

#### D. Securities Transaction Tax

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

#### E. Dividends

- As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax (DDT) at the rate of 15%. A surcharge of 12% would be levied on the amount of DDT. Further, Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge. Credit in respect of dividend distribution tax paid by a subsidiary of the Company could be available while determining the dividend distribution tax payable by the Company as per provisions of Section 115-O (1A) of the Act, subject to fulfillment of prescribed conditions.
- As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.

- As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of as specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.
- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (excluding surcharge and education cess).

## **Benefits to the Resident members / shareholders of the Company under the Act**

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

As per the provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge as applicable, on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend, in addition to the DDT leviable an additional tax at the rate of 10% on receipt of dividends exceeding Rs. 10 Lakhs has been levied. Such additional tax is levied on resident shareholders being an individual, HUF or a Firm (which includes LLP) and would be payable by the shareholder. Further, no deduction in respect of any expenditure or allowance or set off of loss would be allowed in computing such taxable dividend income.

### **B. Capital Gains**

#### **(i) Computation of capital gains**

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

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

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

- As per Section 54EC of the Act, capital gains arising from the transfer of a long – term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long - term asset cannot exceed Rs 5,000,000 per assessee during any financial year
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

**C. Tax Treaty Benefits**

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

**D. Non-Resident Taxation**

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

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

therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

### **Benefits available to Foreign Institutional Investors ('FIIs') under the Act**

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

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

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

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

#### **C. Capital Gains**

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

<b>Nature of Income</b>	<b>Rate of tax (%)</b>
LTCG on sale of equity shares not subjected to STT	10%
STCG on sale of equity shares subjected to STT	15%
STCG on sale of equity shares not subjected to STT	30%

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

#### **D. Securities Transaction Tax**

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

#### **E. Tax Treaty benefits**

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

### **Benefits available to Mutual Funds under the Act**

- a) Dividend income

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

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

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

**For Tolia & Associates**

Chartered Accountants

Firm Registration Number: 111017W

**Kiran P. Tolia**

Proprietor

Membership Number: 043637

Mumbai, December 13, 2016

## SECTION V: ABOUT THE COMPANY AND THE INDUSTRY

### INDUSTRY OVERVIEW

*The information in this section has not been independently verified by us, the Lead Manager or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.*

#### **Introduction to the Indian Information Technology (IT) and Information Technology Enabled Services (ITEs)**

India is the world's largest sourcing destination for the information technology (IT) industry, accounting for approximately 67 per cent of the US\$ 124-130 billion market. The industry employs about 10 million workforces. More importantly, the industry has led the economic transformation of the country and altered the perception of India in the global economy. India's cost competitiveness in providing IT services, which is approximately 3-4 times cheaper than the US, continues to be the mainstay of its Unique Selling Proposition (USP) in the global sourcing market. However, India is also gaining prominence in terms of intellectual capital with several global IT firms setting up their innovation centres in India.

The IT industry has also created significant demand in the Indian education sector, especially for engineering and computer science. The Indian IT and ITeS industry is divided into four major segments – IT services, Business Process Management (BPM), software products and engineering services, and hardware.

#### **Market Size**

India ranks third among global start-up ecosystems with more than 4,200 start-ups.

#### **Investments**

Indian IT's core competencies and strengths have attracted significant investments from major countries. The computer software and hardware sector in India attracted cumulative Foreign Direct Investment (FDI) inflows worth US\$ 21.02 billion between April 2000 and March 2016, according to data released by the Department of Industrial Policy and Promotion (DIPP).

Indian start-ups are estimated to have raised US\$ 1.4 billion across 307 deals in quarter ending March 2016.

#### **Road Ahead**

India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India. Social, Mobility, Analytics and Cloud (SMAC) are collectively expected to offer a US\$ 1 trillion opportunity. Cloud represents the largest opportunity under SMAC, increasing at a CAGR of approximately 30 per cent to around US\$ 650-700 billion by 2020. The social media is the second most lucrative segment for IT firms, offering a US\$ 250 billion market opportunity by 2020. The Indian e-commerce segment is US\$ 12 billion in size and is witnessing strong growth and thereby offers another attractive avenue for IT companies to develop products and services to cater to the high growth consumer segment.

Exchange Rate Used: INR 1 = US\$ 0.0149 as on September 29, 2016

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

#### **Indian Pharmaceutical Industry**

The Indian pharmaceuticals market is the third largest in terms of volume and thirteenth largest in terms of value, as per a report by Equity Master. India is the largest provider of generic drugs globally with the Indian generics accounting for 20 per cent of global exports in terms of volume. Of late, consolidation has become an important characteristic of the Indian pharmaceutical market as the industry is highly fragmented.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level. Presently over 80 per cent of the antiretroviral drugs used globally to combat AIDS (Acquired Immuno Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

The UN-backed Medicines Patent Pool has signed six sub-licences with Aurobindo, Cipla, Desano, Emcure, Hetero Labs and Laurus Labs, allowing them to make generic anti-AIDS medicine TenofovirAlafenamide (TAF) for 112 developing countries.

### **Market Size**

The Indian pharma industry, which is expected to grow over 15 per cent per annum between 2015 and 2020, will outperform the global pharma industry, which is set to grow at an annual rate of 5 per cent between the same period.

India has also maintained its lead over China in pharmaceutical exports with a year-on-year growth of 11.44 per cent to US\$ 12.91 billion in FY 2015-16, according to data from the Ministry of Commerce and Industry. Imports of pharmaceutical products rose marginally by 0.80 per cent year-on-year to US\$ 1,641.15 million.

Overall drug approvals given by the US Food and Drug Administration (USFDA) to Indian companies have nearly doubled to 201 in FY 2015-16 from 109 in FY 2014-15. The country accounts for around 30 per cent (by volume) and about 10 per cent (value) in the US\$ 70-80 billion US generics market.

India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics is expected to grow at an average growth rate of around 30 per cent a year and reach US\$ 100 billion by 2025. Biopharma, comprising vaccines, therapeutics and diagnostics, is the largest sub-sector contributing nearly 62 per cent of the total revenues at Rs 12,600 crore (US\$ 1.88 billion).

### **Investments**

The Union Cabinet has given its nod for the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to certain conditions.

The drugs and pharmaceuticals sector attracted cumulative FDI inflows worth US\$ 13.85 billion between April 2000 and March 2016, according to data released by the Department of Industrial Policy and Promotion (DIPP).

### **Government Initiatives**

The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture. Approval time for new facilities has been reduced to boost investments. Further, the government introduced mechanisms such as the Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines.

### **Road Ahead**

The Indian pharmaceutical market size is expected to grow to US\$ 100 billion by 2025, driven by increasing consumer spending, rapid urbanisation, and raising healthcare insurance among others.

Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers that are on the rise.

The Indian government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies.

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

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

Indian pharma companies in the recent times have increased spending on R&D specifically in specialty drugs and complex generics. This trend has been prominent in top drug makers of the likes of Sun Pharma, Dr Reddy's, Lupin, as these drugs are expensive to develop. These specialty drugs are used to treat complex conditions like cancer, multiple sclerosis, rheumatoid

arthritis. Ideally these drugs entail investments of US\$ 5 million as against US\$ 1-2 million for developing simpler dosage forms. Investments are just however, only one part, with commercialisation being the other key component. Therefore acquisitions have been the natural choice for companies. Pharma companies have been making acquisitions in US, Europe, Japan to cut time to bring these specialised products to market.

Business in the US market has suffered for most of the pharma companies due to pricing pressure and currency fluctuations, with the shift towards increased spending on R&D being natural. For the duration of the past six years, the R&D spending by top Indian pharma companies grew by 3-6 times in comparison to sales which rose by 2-4 times. For the financial year 2016-17, R&D investments is expected to be higher than the previous financial year. Sun Pharma will approximately have an R&D expenditure of 9 per cent of sales, while Lupin is likely to incur expenditure to the tune of 13-14 per cent of sales on R&D. Cipla's R&D is expected to spend 6-8 per cent of sales, Dr Reddy's expected spending would be to the tune of about 12 per cent of sales on R&D whereas Aurobindo Pharma will be spending around R&D spending at 4-4.5 per cent of its sales in 2016.

Companies are also increasing expenditure on increasing manufacturing capacities with Alembic spending on manufacturing facilities for injectables and tablets and also increasing its Active Pharmaceutical Ingredient capabilities, Divi's Laboratories is making an investment of INR 500 crore at its plant in Kakinada in Andhra Pradesh, Dr Reddy's would be incurring capital expenditure of INR 1200 crore in FY17, with majority of the spending used for biologics and developing information technology and automating processes.

This trend towards development and marketing specialty drugs would be the next step for Indian companies to move ahead in the value chain and sustain the growth momentum, with good returns. Almost half of investments in US have been in the areas of specialty therapies, particularly oncology, multiple sclerosis, auto-immune and haemophilia with higher number of product launches in specialty therapies rather than traditional therapies.

*(Source: <http://www.brandindiapharma.in/pharmaceutical-industry-trends/indian-pharma-companies-increase-spending-on-rd>)*

## OUR BUSINESS

Our Company is an Information and Communication Technology (ICT) company providing integrated software product platforms and solutions to enable large and medium enterprises embrace mobility & digital technology for their business enhancement. Our Company provides domain specific mobility & digital technology products by leveraging contemporary web, mobile technology, big data, analytics & custom hardware to deliver customizable and configurable solutions to different industry verticals. Our Company launched its flagship product for pharmaceutical industry in the year 2011.

Our core technology platform has been constantly evolving and now includes industry solutions in Banking, Financial Services, Insurance and Education. We believe that our Company has a considerable client list, which includes some of the reputed pharma companies, banking conglomerates & large education groups.

Our cloud hosted software solutions is structured in three (3) layers:

4. Core technology platform as the base layer, which includes complete mobility technology framework for enterprise with mobility security layer.
5. The middle layer on top of the mobility management suite, we have built the vertical specific lines of business apps including solutions that primarily address CRM, Sales force management, closed loop marketing tool, content management, learning management & channel management and developed as a native client on all three mobile operating systems like *Android, Windows & iOS*.
6. The top layer is the analytical layer developed using high end algorithms & big data that enables creating dash boards, real-time analytics, predictive and prescriptive analytics.

The enterprise solutions have been developed by our software professionals after understanding the nuances of the various industries and their specific requirements. The platform developed can be directly implemented by any company intending to implement Enterprise Mobility solutions. One of our key offerings for the pharmaceutical industry is "GloDIGITALL", which is a consultation driven end to end mobility solution. It comes as an integrated solution that includes device, technology, content framework and managed services for seamless and rapid deployment. Further, our enterprise mobility solutions can be integrated with the back-end systems of our clients leading to a hassle free migration of the existing systems of the client at no extra costs vis-à-vis platform and operating systems. Similarly, for the education space we offer "GloRE" (*a unique education solution*).

### Vertical specific Technology Solutions:

#### Pharma Domain:

- vi. GloDIGITALL
- vii. MedsApp
- viii. GloCONSULT
- ix. GloKIOSK
- x. GloDNH (*Small-size Healthcare Technology Management Solution*)

#### BFSI Domain:

- iii. GloFIN
- iv. GloKIOSK - Speed banking

#### Education Domain:

- iii. GloKIOSK - Student Engagement Framework
- iv. GloRE

Apart from the software product platforms, our Company has designed and built enterprise specific tablet PCs/computing device brands with different form factors. These devices are offered when a client requires completely locked down devices with high end security. We provide the entire mobility management suite integrated at the Kernel layer of these devices.

Our Company has established strategic alliances with few of the leading software companies (Named OEM partner). To help establish PAN India reach and market coverage, our company has established channel relationship with AirTel to primarily sell the solutions into large enterprises.

Our revenues from continuing operations increased by a CAGR of 103% from ₹82 Lakhs in Financial Year 2011-2012 to ₹1,398 Lakhs in Financial Year 2015-2016. Our EBDITA has increased by a CAGR of 66%, from ₹34 Lakhs in Financial Year 2011-2012 to ₹284 Lakhs in Financial Year 2015-2016.

## **Our Competitive Strengths**

The following are the key strengths which the Company believes enable it to be competitive in its business:

### **1. *Development of products incorporating latest technology trends.***

We update and upgrade our Software/Digital Products with the latest developments in all the mobile technology platforms by leveraging:

- i. Vertical specific and in-depth domain and industry knowledge
- ii. Agile Cloud based Mobility Technology platform and solutions
- iii. Center of Excellence where constant innovation happens on both the technology and the applications front

### **2. *Association with few of the leading software companies.***

Our association with few of the leading software companies provides authenticity, goodwill and reputation to our products and services. We offer the Windows operating system platform on our hardware devices, which can be easily integrated with the existing operating environment of clients as most of the client solutions run on operating systems that are Windows based. We have also expanded our product base on the Android and iOS platforms to support our prospective customers who are on these platforms. Our Intel based hardware offering i.e. the **SOLT (Solution Tablet)** is manufactured on the basis of design parameters set by us. The Intel processor inside **SOLT** provides the authenticity, stability and capability to **SOLT** as a platform on which our enterprise solutions operate. Further, as per our arrangement, these companies promote our solutions to its own clients where they are installing and developing operating systems and solutions. This arrangement with these companies provide and act as a lead to install our solutions with clients of these companies.

### **3. *Vast domain knowledge.***

Our Company's enterprise software solutions offerings for clients in industries such as pharmaceutical, education, banking, financial services and insurance reflect our knowledge and understanding of these sectors by our software developers ably enabled by domain experts. This entails us to keep ourselves updated on recent requirements of these sectors, update and upgrade our enterprise software solutions as per the requirements of these sectors. Technicalities and specifications of the domain are analyzed and explored so that they are made an integral part of the upgraded versions of our enterprise software solutions. We have over the years acquired in-depth domain knowledge, which enables us to constantly capture the growing needs of various sectors and accordingly update and upgrade the versions of our own solutions.

### **4. *Unique business model.***

We have a unique business model to support our business. We are a multi-technology enterprise company i.e. providing enterprise software solutions on all known operating systems viz. Windows, Android and iOS. We are also providing hardware, except in the case of iOS, which is compatible with the enterprise software solutions developed by us. This provides a thrust to our ability and capability to develop enterprise solutions for all the known platforms mentioned above. We can provide enterprise solutions to any client based on any of these platforms thereby enabling us to provide products to various companies.

### **5. *Strong management culture and a proactive work environment.***

We have built a strong management culture, which has stemmed from professionalism gained by the key management personnel having worked in reputed organizations without compromising on the core values and work ethics. Our management culture is collaborative and team-oriented, which is inherent in the way we do business and we believe this is a source of competitive advantage. Our management team comprises of technology professionals with experience in the domains of our clients. We believe that this blend, together with a strong management culture, helps our management team develop insights, anticipate trends in the market, and devise and execute our Company's strategy effectively. We also provide a conducive work environment to attract and retain talent as people are critical to our business and our ability to grow depends to a large extent on our ability to attract, train, motivate and retain employees. We have a highly skilled, well-trained and diverse employee base, which provides us with the flexibility to adapt to the needs of our clients and the technical requirements of the various projects that we undertake.

## **Our Business Strategies:**

The business strategy of the Company focuses on the following elements:

### **1. *Developing Vertical Specific Technology Solutions.***

Enterprise mobility solutions have slowly & gradually got attention of all the industries irrespective of the nature of Business they are into (B2B, B2B2C or B2C) as a silent revolution. There is a potential for fundamental, transformative benefits through improved efficiency & effectiveness of both business-level & personal-level processes. We shall continue to have our vertical approach towards industry sectors. We shall explore various industry segments like automobile, FMCG including the expansion of clientele in Pharma, Education and BFSI. Various industries can use our Enterprise Mobility solutions for automating their sales promotion, marketing, business intelligence and analytics requirements. Our Enterprise mobility based solutions tend to optimize complex field workforce efforts with customized & integrated technology along with robust support & comprehensive service model to enhance their productivity.

### **2. *Developing Horizontal Solutions.***

Apart from developing deep vertical presence, we will continue to also strengthen our core solutions to include the following:

- a. Latest in Mobility Technology
- b. Mobile Device Management
- c. Enterprise App Store
- d. Enterprise Content Management Store
- e. Cloud based Document Management Solution

### **3. *Geographical expansion for deeper segment penetration.***

We intend to expand our product offerings geographically within India and in the Middle-East by establishing offices. We will also augment our business development efforts by appointing distributors and service agents so as to penetrate these territories and market our products and offerings to potential customers. Our enterprise solution being a cloud based technology is easily accessible & deployable beyond Geographical limitations with scalable capabilities.

### **4. *Leveraging expertise in Mobility, Cloud and Analytics domain.***

We are developing a sound analytic strategy that involves step by step stakeholder participation and socializing them into the utility of the platform. Most importantly, dashboard updates will be designed to correspond to day to day planning or execution insights. In the short term the goal is to monitor, while in the long run the goal is to be able to formulate a Decision Support System for Planning and Execution. We are working on seamless integration of strong analytics with our solution in the backend which will provide insightful Business Intelligence for the clients.

### **5. *Brand Promotion.***

Our Company intends to market its brand and name "GlobalSpace" effectively so as to give impetus to its product offerings. Our Company intends to market and establish itself by (i) sponsoring various Technology events like DigiPharmaX Awards, which is also co-sponsored by one of the leading software companies; (ii) using the social media for marketing our products to potential clients; and (iii) participating in various global IT events. Our Brand promotion strategy orients around 3 critical factors:

- ❖ Customer focused value proposition
- ❖ Product innovation
- ❖ Quality strategy

### **6. *Innovative and Cutting Edge Technology.***

Our Company intends to expand its research and development capabilities to develop innovative products with cutting edge technology so as to be future ready with a wide range of product offerings with multiple technologies on various platforms catering to different industries. We are already working on the development of Enterprise Mobility solutions for various sectors like automobile, retail and expand our existing offerings in sectors like pharma, BFSI and Education. The entire technology platform evolution has gone through numerous iterations based on customer need, real time effectiveness, utility, feasibility, feedback & simplicity of MMI (*Man Machine Interface*). We believe in simplifying the efforts of field force using technology with ease & make it a measurable productivity.

### 7. *Creating a Centre of Excellence.*

Our Company strongly believes not only keeping up with latest technology developments and quick adoption of the same but also in investing in right set of people at various levels. We intend to establish a Centre of Excellence which shall have the latest infrastructure, technology and facilities to enable our employees to train further and obtain new skill sets. The Centre of Excellence shall train new recruits and make them capable to be directly deployed in the business of our Company so as to ensure seamless deployment of our products and servicing of clients. Our hiring strategy revolves around injecting stream of young developers with more emphasis on innovative though process & logic based approach rather than pure coders. We encourage &organise in-house technology discussion & knowledge sharing sessions to innovate new modes of development & incorporate new technologies to enhance our solution capability.

#### **Our Operational efficiency**

We have organised our business into business verticals for achieving greater delivery efficiency by cross-utilising resources within similar business verticals, and generally providing management with greater bandwidth for review and control.

#### ***Our Business Solutions’ Salient Features***

We combine our range of service offerings with industry-specific experience to provide services to clients engaged in various business verticals. Our business verticals are based on our offerings or products set out below:

Current Software Product Platform	Future Software Product Platform
<ul style="list-style-type: none"> <li>&gt; Pharma SFA integrated with CLM</li> <li>&gt; Close loop marketing (CLM)</li> <li>&gt; Mobile Device management</li> <li>&gt; Remote Kiosk management</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Predictive &amp; prescriptive analytics platform leveraging AI technology</li> <li>&gt; New age Pharma marketing &amp; distribution platform</li> <li>&gt; New age speed banking solution</li> </ul>

#### **Integrated Vertical Solutions:**

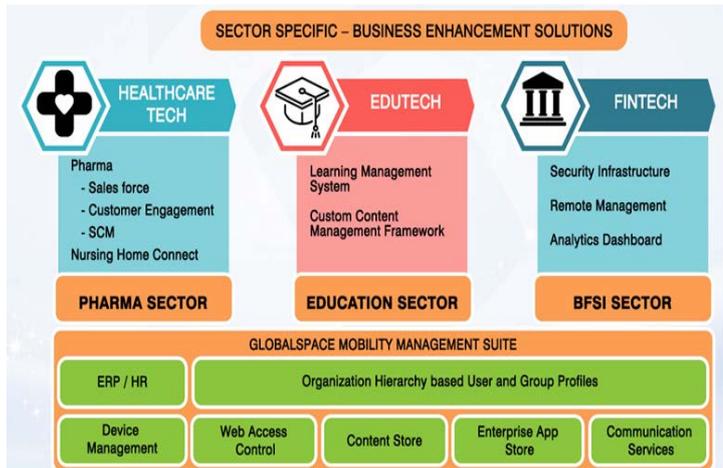
**GloDIGITALL**  
ALL DIGITAL

- Pre integrated(GlobalSpace Device+MDM+CLM+SFA)
- 80% reduced administrative load on front line sales force
- Better data quality & quantity for management team
- Meaningful reviews & sharper strategies

**GloKIOSK**

- State of art design
- Turn key project management including Integrated software
- Optimized touch experience with GlobalSpace device
- Delivery, Installation & Management by leveraging Mobility technology
- Over 5000 Kiosk successfully deployed

## Cloud Based Software Product Platforms:



## GloDIGITAL:

GloDigitAll is an End to End solution for organizations undergoing digital transformation. With the aid of the devices and software from GlobalSpace, organizations can transform their traditional process of sales and marketing to digital. We provide a fully integrated solution for any Pharma company which will help step into digital age with supreme level of confidence.

### Key Features:

#### For Sales Representatives:

- Integrated Tablet Solution
- E-Detailing Platform w/ interactive content
- Complete reporting and daily tasks sheet
- Microsoft Office inbuilt to create reports
- Connectivity with Wi-Fi & 3G SIM cards

#### For Marketing Team:

- Complete Field Report on web
- Add, modify, delete users from web
- Real Time analytics on campaigns
- Push content to all or specific users
- Measure and capture productivity of individuals or teams across locations

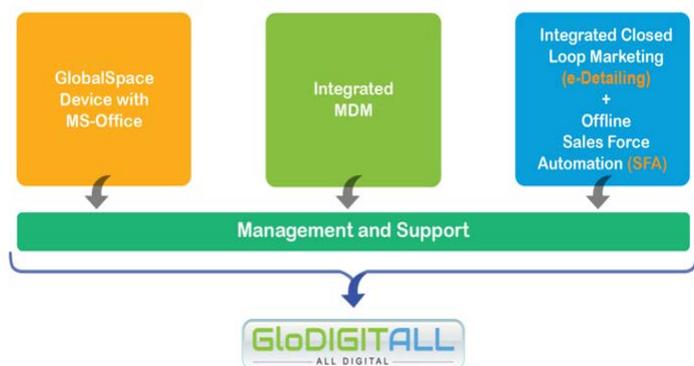
#### For Product Managers:

- Create digital content and push
- Send updates to the marketing teams
- Easy to manage & deploy
- No reprint or corrections hassle
- Web portal for all approvals on mobile

### Other Features:

- Integrated mobile device management.
- One partner for complete solution
- Integrated sales & custom reporting
- Real time web based analytics
- Huge savings on print & logistics cost

Some Infographics for better understanding:



- > Pre-Integrated (GlobalSpace Device+MDM+SFA+CLM)
- > Reduced administrative load on front line sales force
- > Better data quality and quantity for management team
- > Meaningful reviews and sharper strategies



### GloEDGE Platform

GloEDGE is "Enhanced digital & graphics experience" enabling platform for Pharma enterprise. It's a strategic marketing tool, having hard core technology at its base and true innovation in concept. GloEDGE platform is way beyond conventional eDetailing applications in its use case, core technology, product evolution and scalability.

GloEDGE is a web to tab integrated platform offering the technological edge to the entire product management functions of a pharmaceutical company. This includes digital VA creation, VA approval process, creative content repository & scientific information management.

GloEDGE platform offers a simple to use interface on tab for front line sales person. It offers interactivity & flexibility to the front line sales person to be able to do a better and more effective customer call. The platform offers capability to organize vast medical and product information in such a convenient manner that the front line sales person would never have to say to a customer's query that "I would get back to you later", everything is just a finger swipe away.

The best part of GloEDGE platform is its analytics capabilities. Data on Time Spent on Promotion (TSP) the TRP equivalent for Pharma industry is transforming the way business and strategy reviews are done. GloEDGE is the strategic aid to top management of Pharma Company where as it's an enhanced customer interface tool for front line sales person. The brief details of GloEDGE are set out below:

### GloEDGE Beyond e-Detailing

- ✓ Web to TAB integrated content management & distribution & analytics platform.
- ✓ Single click mass deployment of content.
- ✓ Automation of Pharma project management function.
- ✓ Highly interactive and engaging customer interface tool.
- ✓ Inbuilt FMQ & QMS capability
- ✓ Data on TSP (Time Spent On Promotion), the TRP equivalent of Pharma industry
- ✓ Truly automated reporting.
- ✓ Marketing Force automation tool.



**Key Features:**

- 360 degree Digital Detailing Platform
- Visual Aid creation & approval
- One click publishing to entire field force
- Interactive & next generation customer interface tool
- Smooth play of heavy visual aids
- Multi type file support for VA creation and detailing
- Optimized content quality and size for hassle free download on field
- Multi layer user hierarchy
- Super admin, admin, PM, MM & user
- Visual aid Content Repository
- Create & publish visual aids for promotion
- Analytical representation of edetailing and sales trends
- Call Mode Selection module i.e. Practice / Field call
- Doctor wise, Specialty wise, Visit wise specific content creation & detailing
- Content specific QMS & FAQ module
- Remote Configuration for users & devices

Backend Real-time Analytics from e-Detailing



- Real-Time Analytics Across Organization
- Anytime, Anywhere Access
- Filters for Data Including
  - Brand wise
  - Individual
  - Region etc.
- Data Export in Multiple Formats
- Hierarchy wise Data Availability
- Time Spent on Promotion History Across Org.
- Analytics in Multiple Graph Options

**GloMDM**

Device Management enables users, service providers, and manufacturers to manage their devices and services. There are various local or remote management solutions available depending on client requirements.

GloMDM (Mobile Device Management) software secures, monitors, manages and supports our mobile devices. MDM functionality typically includes over-the-air distribution of applications, data and configuration settings for mobile devices. Authentication of User is a critical feature to ensure data security & usage of propriety info by validated user only.

**Salient Features**

- Encrypted data communication, data cannot be copied, printed or forwarded
- Integrated Mobile Device Management
- Remote wipe, device lock, location tracking etc.
- Theft & loss protection features – automated device recovery process
- Insurance covered devices in case of attrition related scenarios
- Separate personal & official space provided while using devices
- All communication logs & history maintained and can be accessed from anywhere, anytime

## Key Features of GloMDM:

### Structural Features

- Organization & group management
- Scalable multi-tier web services based architecture
- Web based user interface for unified management for various devices and OS
- OS, Application, Business process specific customized features
- Device Management, configuration & monitoring in terms of s/w & h/w
- Proper authorization & authentication
- Virtual keyboard for MDM login
- Push based mechanism

### Tab Software Features

- Lock device
- Unlock device
- Device Info
- Memory Info
- Battery Info
- App List Info
- Build Info

### Tab Hardware Features

- USB Pendrive only (Enable, Disable)
- Wifi (Enable, Disable)
- Bluetooth (Enable, Disable)
- Touchscreen (Enable, Disable)
- Keyboard (Enable, Disable)

## GloSFA

Sales force automation (SFA) is an integrated application of customizable customer relationship management (CRM) tools that automate and streamline sales schedule, inventory, leads, forecasting, performance and analysis.

GloSFA is a comprehensive Mobility based solution uniquely capturing the essence of both CLM & CRM on single platform to kill the ideal time of field workforce & enhancing both professional & personal spheres of individual.

## Key Features

1. Field Hierarchy Creation & User Management
2. Customer Database Management & Updating
3. Reporting
  - STP, MTP creation (with Approval)
  - Daily Doctor Call Report
  - Chemist/Stockist call Report (RCPA)
  - Hospital Call Report
4. Operation
5. Forms
  - Sample request form (Multilevel Approval)
  - Order form (Multilevel Approval)
  - Pricing approval form (Multilevel Approval)
  - Expense form (Multilevel Approval)
6. KPI

- Sales Management and Analytics
- Customer Relation and analytics
- Water Fall
- Market Research
- Secondary Sales

## GloSFA

- ✓ Sales Force automation & Reporting tool conceptualised and optimised for mobility platform.
- ✓ Truly integrated CLM & CRM platform, reducing the administrative effort of front line sales person by 90% .
- ✓ Leveraging the latest technology on both Device & Web end..
- ✓ Quick deployment & highly scalable.
- ✓ Built on flexible architecture to accommodate specific customization requirements
- ✓ Real time Analytics capability enabling faster decision making
- ✓ Manage yourself efficiently & optimally.



## MEDSAPP

MedsApp is the "**Pharma Stockist - Chemist – Patient Connect App**". This is on an aggregator model to bring all the chemist and stockist on the same platform and enable patients to Shop on line.

**Stockist** can receive and process the order on the go and can be directly connected to the chemist. He can also monitor his stocks, sales, supplies and staff (Sales person and Delivery person)

**Chemist** can maintain his short book and place an order on the go, to the selected stockiest. The chemist can also track his order and delivery.

**Patient** can place order to the selected chemist and get his medicines home delivered with tracking facility. Value added services like Pill reminder and Refill reminders will help him in being disciplined thereby leading to healthier and fuller life. Payment gateway will also be incorporated for better online shopping experience.

## GloKIOSK

With GloKIOSK we redefine mobility for your organization. GloKIOSK is a solution which can be implemented anywhere to acquire customers, educate customers and for marketing purposes. The end usage of GloKIOSK is only limited by your imagination. We can implement KIOSK PAN India as we provide end to end turnkey support. We have already deployed 5000 GloKIOSK all over India.

### Specifications

- Screen Size – From 10 to 42 Inches
- Design – Standing, Wall Mounted
- Material – Stainless Steel/ Fiber Plastic
- Software Solutions – Self Service, Assisted
- Touch Screen – Multi Touch HD Display
- Connectivity – 3G/4G, LAN, Wi-Fi
- Peripheral Support – Card & Biometric
- OS – Windows
- Low maintenance devices
- No cooling system/AC required
- Voice & Video call features
- Up to 3 Year onsite warranty

- Built in speakers
- Ruggedized design for public areas
- Anti-Theft Features

### Add-Ons

#### Dynamic Content

- Publish content from remote locations
- Change content over period of time

#### Built in analytics on usage

- Time spent on kiosk
- Feedback

#### Remote Device Management

- Application management
- Devices management
- Device ON/OFF Monitoring

- > State of art design
- > Turn key project management including Integrated software  
Optimized touch experience with GlobalSpace device
- > Delivery, Installation & Management by  
leveraging Mobility technology
- > Over 5000 Kiosk successfully deployed



### GloCONSULT

GlobalSpace is moving towards providing technology driven business strategies.

GloCONSULT is a unique concept that has been especially designed and developed for the Pharma Industry, based on its current state of Digital Maturity. This program has the potential to prepare your company to face the Digital Disruption, embark on a digital transformation journey and to seize the Digital Advantage.

GloCONSULT is driven by a team of digital strategists and experts from the Pharma industry, who intend for 360 degree digitization of Pharma.



## E-REP

Pharma Companies work on drugs for a very niche market/specialty/disease. The HCPs working in these specialities need to be constantly detailed on the advancements on field. Detailing of these specialty drugs needs in-depth knowledge and discussion with HCPs.

Such knowledge sharing and discussion is not possible with a generic MR, but requires a specialist doctor to communicate all the essentials.

This has led to the creation of E-Rep concept which is an end to end operations management solution (Call center + App + Device + IT Support) to ensure a hassle free experience for the Pharma company.

## Features

- Augments sales rep to enhance remote knowledge sharing experience
- Enhances HCP eco system by providing real time info on latest innovations on field
- Builds HCP confidence in drug prescription by providing a medium for interactive discussions

## Process Flow

- Call centre executive makes initial contact with HCP and informs about new product and app.
- Call centre executive schedules appointment of HCP with Doctor MR.
- Doctor MR calls HCP and remotely details the new product.
- HCP receives additional learning content on the app.
- HCP needs further clarification and opts for a Call-on-Demand.

## Expected Results

- Increased sale of drugs
- Increased HCP confidence in drug prescription
- Community of highly engaged specialist HCPs
- Increased outreach
- Reduced operational risk and expense

## Analytics Platform

We are developing a sound analytic strategy that involves step by step stakeholder participation and socializing them into the utility of the platform. Most importantly, dashboard updates will be designed to correspond to day to day planning or execution insights. In the short term the goal is to monitor, while in the long run the goal is to be able to formulate a Decision Support System for Planning and Execution.

- Insights derived from the data help in generating strategies not just for re-directing the effort of the MR or the field executive, but also for generating a market sustenance as well as a market entry strategy.

- A classification of the last mile influencer of the doctors on the entire Sales effort. This is more possible when we have integrated with the Sales Data the entire set of analytics that we have built so far.

### GlobalSpace Custom Hardware

SolT, "The **Solution Tab**" is a unique & unprecedented concept in the entire Tablet PC domain, where in the MDM is pre-integrated with the device. Unlike the client based MDM solutions, SolT is always under managed condition, even when the device is put to factory reset mode. This is a great utility when the devices are supposed to be used at remote locations that to by people who may not be that tech-savvy. On SolT devices one can remotely do upgrades, application install & uninstall, re & de activate almost all functionalities.

### Competition

While, there is no direct competition as an E2E mobility enterprise solution company having Hardware, MDM & applications/solutions with comprehensive managed services model, however some of the business segments in which we operate may face some competition from companies such as Infosys, TCS, Wipro, Veeva Systems.

The IT services market that we operate in is highly competitive and rapidly changing. Our competitors include both Indian IT services companies and International IT services companies. Further, we also face competition from other international, national, regional and local firms from a variety of market segments, including major international accounting firms, systems consulting and implementation firms, applications software firms, service groups of computer equipment companies, general management consulting firms, technology firms, programming companies, and in-house IT departments of large corporations. While we expect these competitive pressures to continue, we believe our domain and technology capabilities, and our client base and success in attracting and retaining highly skilled employees will enable us to compete effectively in our industry. The IT services industry is also witnessing competition from countries and regions such as China, the Philippines, Eastern Europe and Latin America, which have labour costs similar to India.

### Sales and Marketing

Our sales and marketing strategy seeks to gain new business from identified accounts through multiple business development channels and repeat business from existing clients through concerted account management efforts at building and sustaining client loyalty. As of June 30, 2016, we had a total of eight (8) employees in sales and marketing.

### Quality Processes

We lay a strong emphasis on quality. Quality has become a core value of our business, which helps us qualify through the strict scrutiny of our clients and prospects.

### Research and Development

Our R&D initiatives are run by our technology cell and client-specific R&D functions are run by the respective business verticals and service lines. Our areas of research are focused on automation tools for application development, testing, migration and re-engineering, as well as to build an array of industry-specific EM solutions. We have an enterprise business solution laboratory which tests innovative business ideas and adds value to clients. It also introduces prototype solutions to reduce implementation time and costs associated with our IT services.

### Human Resource

As on the date of this Draft Prospectus, our Company has 83 full-time employees in the Company which can be further classified into the following functional lines:

Department	Number
Management	7
Other departments	76
<b>Total</b>	<b>83</b>

The employees of our Company are not currently unionized. Our Company believes that it has maintained considerable relations with its employees.

## Insurance

Our Company generally maintains insurance covering its assets and operations at levels that it believes to be appropriate. Our Company has maintained a Standard Fire and Special Perils Policy for stocks of our Company.

## Immovable Properties of our Company

Our registered office is located at Office No. 605, 6<sup>th</sup> floor, A-1, B-Wing, Rupa Solitaire Building Millennium Business Park, MIDC, Mahape, Navi Mumbai 400710, India, which is on ownership basis. In addition to our registered office, our Company has various other office premises which are on rental basis.

## Intellectual Property Rights

Our Company has certain registered trademarks and few of them have been applied before the Trade Marks Registry, details of which are set out below:

### II. Registered Trademarks of our Company

No.	Trademark	Application No.	Class	Application Date	Validity
1.	GreatREP (Device)	2185618	42	August 4, 2011	August 4, 2021
2.	SOLT THE SOLUTION TAB (Device)	2306006	42	March 27, 2012	March 22, 2022

### III. Trademarks applications made by our Company

No.	Trademark	Application No.	Class	Application Date	Status
1.	Globalspace Technologies (Device)	3286869	42	June 16, 2016	Formalities check pass
2.	Globalspace Technologies (Trademark)	3286868	9	June 16, 2016	Formalities check pass

## KEY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India. The regulations set below are not exhaustive, and is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional legal advice. The Company sets forth below are certain significant legislations and regulations which generally govern the ITES industry in India:*

### **Industrial and Labour Laws:**

#### **1. Employees State Insurance Act, 1948**

The Employees State Insurance Act, 1948, as amended (the "**ESI Act**") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

#### **2. The Payment of Gratuity Act, 1972**

The Payment of Gratuity Act, 1972 was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered for his long and meritorious service, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years:

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

#### **3. The Shops and Establishment Act, 1948**

The Shops and Establishment Act, 1948 governs a company in the states where it has offices/godowns. It regulates the conditions of work and employment in shops and commercial establishments and generally prescribes obligations in respect of registration, opening and closing hours, daily and weekly working hours, health and safety measures, and wages for overtime work.

#### **4. The Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 was enacted with the objective of providing of payment of bonus to employees on the basis of profit or on the basis of productivity. This Act ensures that a minimum annual bonus is payable to every employee regardless of whether the employer has made a profit or a loss in the accounting year in which the bonus is payable. Every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or ₹100, whichever is higher.

#### **5. Employees' Provident Funds and Miscellaneous Provisions Act, 1952**

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 was introduced with the object to institute provident fund for the benefit of employees in factories and other establishments. It empowers the Central Government to frame the "Employee's Provident Fund Scheme", "Employee's Deposit linked Insurance Scheme" and the "Employees' Family Pension Scheme" for the establishment of provident funds under the EPFA for the employees. It also prescribes that contributions to the provident fund are to be made by the employer and the employee.

### **Taxation Statutes:**

#### **1. Income Tax Act, 1961**

The Income Tax Act, 1961 deals with the taxation of individuals, corporates, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses.

## 2. Service Tax

Chapter V of the Finance Act 1994 (as amended), and Chapter V-A of the Finance Act, 2003 requires that where provision of certain listed services, whole taxable services exceeds ₹ 10,00,000, a service tax with respect to the same must be paid. Every person who is liable to pay service tax must register himself for the same.

## 3. Central Sales Tax

The main object of this Act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) When a sale or purchase takes place outside a State (c) When a sale or purchase takes place in the course of imports into or export from India, to provide for levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

## 4. Value Added Tax

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

### Intellectual Property Laws:

#### 1. Trade Marks Act, 1999

The Indian law on trademark is enshrined in the Trade Marks Act of 1999. Under the existing Act, a trademark is a mark used in relation to goods and/or services so as to indicate a connection between the goods or services being provided and the proprietor or user of the mark. A 'Mark' may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style, the shape of goods other than those for which a mark is proposed to be used, or any combination thereof or a combination of colours and so forth. The trademark once it is applied for is advertised in the trademarks journal, oppositions, if any, are invited and after satisfactory adjudication of the same, is given a certificate of registration. The right to use a mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of prescribed renewal fees.

### Foreign Investment Regime:

1. Foreign investment in India is governed primarily by the provisions of the Foreign Exchange Management Act ("**FEMA**"), and the rules, regulations and notifications thereunder, as issued by the RBI from time to time, and the policy prescribed by the Department of Industrial Policy and Promotion, which provides for whether or not approval of the Foreign Investment Promotion Board ("**FIPB**") is required for activities to be carried out by foreigners in India. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("**FEMA Regulations**") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. As laid down by the FEMA Regulations, no prior consents and approvals is required from the RBI, for FDI under the "automatic route" within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. At present, FDI in the ITES sector is permitted up to 100% through the "automatic route", which does not require prior approval of the GoI or the RBI.

## HISTORY AND CERTAIN CORPORATE MATTERS

### History and Background

GlobalSpace Tech Limited was incorporated as a private limited company under the Companies Act, 1956 in the name of GlobalSpace Tech Private Limited at Mumbai vide Certificate of Incorporation dated December 22, 2010 bearing Corporate Identification Number (CIN) U64201MH2010PTC211219. Subsequently, the name of our Company was changed from GlobalSpace Tech Private Limited to GlobalSpace Technologies Private Limited on September 20, 2016. Pursuant to conversion of our Company to a public limited company, our name was changed to GlobalSpace Technologies Limited and a fresh certificate of incorporation consequent upon change of name on conversion to public limited company was issued by the RoC, Mumbai on November 30, 2016 bearing Corporate Identification Number (CIN) U64201MH2010PLC211219.

### Changes in registered office of our Company since incorporation

We set out below the changes in registered office of our Company since inception which has been changed for administrative convenience of our Company.

Date of change	From	To
April 19, 2011	5B-1, Fairy Manor, 13, Rustom Sidhwa Marg, Gunbow Street, Fort, Mumbai 400 001, India	15 <sup>th</sup> Floor, DLH Park, Opp. Goregaon MTNL Telephone Exchange, S.V. Road, Goregaon (West), Mumbai 400 062, India.
July 25, 2012	15 <sup>th</sup> Floor, DLH Park, Opp. Goregaon MTNL Telephone Exchange, S.V. Road, Goregaon (West), Mumbai 400 062, India.	Office No.114, First floor, Orion Business Park, Chittalsar Manpada, Ghodbunder Road, Thane (West), Mumbai 400604, India.
August 1, 2014	Office No.114, First floor, Orion Business Park, Chittalsar Manpada, Ghodbunder Road, Thane (West), Mumbai 400604, India.	Office No. 303, 304, Millenium Business Park, Navi Mumbai 400 110, India.
April 25, 2016	Office No. 303, 304, Millenium Business Park, Navi Mumbai 400 110, India.	Office No. 605, 6 <sup>th</sup> floor, A-1, B-Wing, Rupa Solitaire Building Millennium Business Park, MIDC, Mahape, Navi Mumbai 400 710, India.

### Key Milestones

Year	Key Milestones
2010	Incorporation of our Company
2011	Our Company launched its first product
2013	<ul style="list-style-type: none"> <li>▪ Our Company collaborated with one of the leading software companies</li> <li>▪ Commercial launch of GloEDGE (E-Detailing application for Pharma Industry) on Windows platform</li> </ul>
2015	Commercial launch of GloEDGE (E-Detailing application for Pharma Industry) on iOS platform

### Main Objects

The Main Objects of our Company as contained in its Memorandum of Association are:

- To develop, design, structure, establish, maintain, market, buy, import, export, sell, provide, license, implement and set up fully secure Enterprise Mobility solutions, Support Services business and units, Enterprise Mobility Business Services businesses and units, Support Centers, Business Centres, Software/Computer Software businesses, centres and units, Information Technology Enabled businesses, centers and units and Information Technology businesses, centers and units in India or anywhere in world.
- To develop, design, structure, establish, maintain market, buy, import, export, sell, provide, license and implement and to set up the business of handling Enterprise Mobility customer support services by establishing Business Process Outsource units, Knowledge Process Outsource units, Call centers, Data centers with advanced Disaster Recovery facilities and the like whether pertaining to own clients or client's customers from within India or outside, for requests received over telephone, fax, email, web, kiosk, post, video conferencing or any other mode including through which any customer can communicate by accessing information in possession of the company or provided by the client in India or anywhere in world.

3. To carry on the business of designing, developing, exporting, importing, Consultancy and training in all kinds of enterprise mobility software, associated mobile security software, hardware, systems, programs, products, applications and services, for all purposes, Knowledge Process Outsource units , Call centers, Data centers and the like and to set up Research and Development Centers and set up Centers of Excellence to train, educate in one or more of the above areas and to market the latest developments in national and international scenario and implement the same to economize and simplify the operations and to carry on the business of providing advanced support services and facilities either computer aided or telephone or any mode in India or anywhere in world.
4. To carry on the business of providing and supplying of information technology solutions including turnkey solutions in the area of end-to-end enterprise mobility solutions, systems integration and development of software, computer hardware, peripherals, networking.
5. To develop and maintain in or outside India software and/or facilities to service onsite and/or offshore outsourcing of business activities including but not limited to data processing, data analysis, data mining, data control, information related projects and activities in the enterprise mobility space.

#### Amendments to the Memorandum of Association of our Company

Since the incorporation of our Company, the following changes have been made to the Memorandum of Association:

No.	Date of change	Amendment
1.	September 11, 2013	<p><u>Increase in Authorised share capital:</u></p> <p>Increase in Authorised Share Capital from ₹1,00,00,000 comprising of 10,00,000 Equity Shares of ₹10 each to ₹1,50,00,000 comprising of 15,00,000 Equity Shares of ₹10 each.</p>
2.	July 30, 2016	<p><u>Increase in Authorised share capital:</u></p> <p>Increase in Authorised Share Capital from ₹1,50,00,000 comprising of 15,00,000 Equity Shares of ₹10 each to ₹9,00,00,000 comprising of 90,00,000 Equity Shares of ₹10 each.</p>
3.	September 26, 2016	<p><u>Increase in Authorised share capital:</u></p> <p>Increase in Authorised Share Capital from ₹9,00,00,000 comprising of 90,00,000 Equity Shares of ₹10 each to ₹12,00,00,000 comprising of 1,20,00,000 Equity Shares of ₹10 each.</p>
4.	August 5, 2016	<p><u>Change in object clause:</u></p> <p>Replacement of sub-clause 1 under Clause III (A) of the Memorandum of Association with the following clause:</p> <p>To develop, design, structure, establish, maintain, market, buy, import, export, sell, provide, license, implement and set up fully secure Enterprise Mobility solutions, Support Services business and units, Enterprise Mobility Business Services businesses and units, Support Centers, Business Centres, Software/Computer Software businesses, centres and units, Information Technology Enabled businesses, centers and units and Information Technology businesses, centers and units in India or anywhere in world.</p> <p>To develop, design, structure, establish, maintain market, buy, import, export, sell, provide, license and implement and to set up the business of handling Enterprise Mobility customer support services by establishing Business Process Outsource units, Knowledge Process Outsource units, Call centers, Data centers with advanced Disaster Recovery facilities and the like whether pertaining to own clients or client's customers from within India or outside, for requests received over telephone, fax, email, web, kiosk, post, video conferencing or any other mode including through which any customer can communicate by accessing information in possession of the company or provided by the client in India or anywhere in world .</p> <p>To carry on the business of designing, developing, exporting, importing, Consultancy and training in all kinds of enterprise mobility software, associated mobile security software, hardware, systems, programs, products, applications and services, for all purposes, Knowledge Process Outsource units , Call centers, Data centers and the like</p>

No.	Date of change	Amendment
		<p>and to set up Research and Development Centers and set up Centers of Excellence to train, educate in one or more of the above areas and to market the latest developments in national and international scenario and implement the same to economize and simplify the operations and to carry on the business of providing advanced support services and facilities either computer aided or telephone or any mode in India or anywhere in world.</p> <p>To carry on the business of providing and supplying of information technology solutions including turnkey solutions in the area of end-to-end enterprise mobility solutions, systems integration and development of software, computer hardware, peripherals, networking.</p> <p>To develop and maintain in or outside India software and/or facilities to service onsite and/or offshore outsourcing of business activities including but not limited to data processing, data analysis, data mining, data control, information related projects and activities in the enterprise mobility space.'</p> <p>Clause I of the Memorandum of Association i.e. name clause of our Company was changed from "GlobalSpace Tech Private Limited" to "GlobalSpace Technologies Private Limited" on name change of the Company.</p>
5.	September 26, 2016	<p><u>Conversion from Private Limited to Public Limited:</u></p> <p>Conversion of our Company to a public limited company. Subsequently, our name was changed to GlobalSpace Technologies Limited.</p>

#### Other Details Regarding our Company

For information on our activities, services, products, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" beginning on pages 77, 74, and 143, respectively of this Draft Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "Our Management" and "Capital Structure" beginning on pages 96 and 47 respectively of this Draft Prospectus.

#### Time and Cost Overrun in setting-up of projects

Considering the nature of business activities, our Company has not experienced any time or cost overrun in the past.

#### Strikes or Labour Unrest

Our Company has not lost any time on account of strikes or labour unrest as on the date of this Draft Prospectus.

#### Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

There are no defaults or rescheduling of borrowings with financial institutions/ banks, conversion of loans into equity in relation to our Company.

#### Details regarding acquisition of business /undertakings, mergers, amalgamation, revaluation of assets etc.

There are no mergers, amalgamation, revaluation of assets etc. with respect to our Company as on the date of this Draft Prospectus.

#### Injunction or restraining order

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

#### Capital raising (Debt / Equity)

Except as set out in the sections titled "Capital Structure" and "Financial Indebtedness" beginning on pages 47 and 154 respectively of this Draft Prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

### Changes in the activities of our Company during the last five (5) years

There have been no changes in the activity of our Company during the last five (5) years preceding the date of this Draft Prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of our Company.

### Revaluation of Assets

Our Company has not revalued its assets as on the date of this Draft Prospectus.

### Shareholders of our Company

As on the date of this Draft Prospectus, our Company has thirteen (13) shareholders. For further details in relation to the current shareholding pattern, please refer to section titled "Capital Structure" beginning on page 47 of this Draft Prospectus.

### Awards and Accreditations

No.	Issuing Authority	Nature of Certification	Date of issuing Certificate	Validity
1.	The Silicon Review	Certificate of Excellence	May, 2016	--

### Holding Company

Our Company does not have a holding company as on the date of this Draft Prospectus.

### Subsidiary(ies) of our Company

Our Company does not have any subsidiary as on the date of Draft Prospectus.

### Collaboration Agreements

As on the date of this Draft Prospectus, our Company is not a party to any collaboration agreements.

### Shareholders Agreements

Our Company has not entered into any shareholders agreement as on the date of this Draft Prospectus.

### Material Agreements

Our Company has not entered into any material agreement, other than the agreements entered into by it in normal course of its business.

### Joint Venture Agreement

Our Company has not entered into any material joint venture agreements except as disclosed under this section.

### Other Agreements

Our Company has not entered into any other material agreements, other than in the normal course of its business.

### Non-Compete Agreement

Our Company has not entered into any Non-compete Agreement as on the date of this Draft Prospectus.

### Strategic Partners

Our Company does not have any strategic partners as on the date of this Draft Prospectus.

### Financial Partners

Our Company does not have any financial partners as on the date of this Draft Prospectus.

## OUR MANAGEMENT

### Board of Directors

As per the Articles of Association our Company shall not appoint less than three (3) and more than fifteen (15) Directors. Currently, our Company has six (6) Directors out of which two (2) are Executive Directors; four (4) are Non-Executive Directors. We confirm that the composition of our Board of Directors is in line with the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The following table sets forth details regarding the Board of Directors as on the date of this Draft Prospectus:

Name, Designation, Address, Date of Appointment/ Re-appointment, Term, Period of Directorship, Occupation, and DIN	Age (in years)	Other Directorships as on the date of this Draft Prospectus
<p><b>Mr. Krishnamurari Singh</b></p> <p><u>Designation:</u> Chairman &amp; Managing Director</p> <p><u>Address:</u> F/702, Hawre Panchawati Plaza, Plot No.92-96, Sector 5, Opp. Police Station, Ghansoli, Navi Mumbai 400701, Maharashtra, India.</p> <p><u>Date of Appointment:</u> November 10, 2016</p> <p><u>Term:</u> Five (5) from November 10, 2016 till November 9, 2021</p> <p><u>Occupation:</u> Business</p> <p><u>DIN:</u> 03160366</p>	41	<p><u>Public Limited Entities:</u></p> <p>Nil</p> <p><u>Private Limited Entities:</u></p> <p>Nil</p> <p><u>Foreign Entities:</u></p> <p>Nil</p>
<p><b>Mr. N.K. Venkitakrishnan</b></p> <p><u>Designation:</u> Whole Time Director</p> <p><u>Address:</u> Flat No.8, Plot No.7, Mumbadevi CHS Ltd, Sai Nagar, St. Anthony Road, Chembur, Mumbai 400071, Maharashtra, India.</p> <p><u>Date of Appointment:</u> November 10, 2016</p> <p><u>Term:</u> Five (5) from November 10, 2016 till November 9, 2021</p> <p><u>Occupation:</u> Business</p> <p><u>DIN:</u> 06672569</p>	49	<p><u>Public Limited Entities:</u></p> <p>Nil</p> <p><u>Private Limited Entities:</u></p> <p>Nil</p> <p><u>Foreign Entities:</u></p> <p>Nil</p>
<p><b>Ms. Beauty Singh</b></p> <p><u>Designation:</u> Non-Executive Director</p> <p><u>Address:</u> Opp. Police Station, Panchawati Plaza, F-702, Plot No.92-96, Sector 5, Ghansoli, Navi Mumbai 400701, Maharashtra, India.</p> <p><u>Date of Appointment:</u> July 4, 2016</p> <p><u>Term:</u> Liable to retire by rotation</p> <p><u>Occupation:</u> Business</p>	37	<p><u>Public Limited Entities:</u></p> <p>Nil</p> <p><u>Private Limited Entities:</u></p> <p>Nil</p> <p><u>Foreign Entities:</u></p> <p>Nil</p>

Name, Designation, Address, Date of Appointment/ Re-appointment, Term, Period of Directorship, Occupation, and DIN	Age (in years)	Other Directorships as on the date of this Draft Prospectus
DIN: 03481024		
<p><b>Mr. Subramanian Mundamuka Venkateswaran</b></p> <p><u>Designation:</u> Independent Director</p> <p><u>Address:</u> B-203, New Blue Heaven Co.op Society, Juhu Versova Link Road, Andheri (West), Mumbai 400053, Maharashtra, India.</p> <p><u>Date of Appointment:</u> October 17, 2016</p> <p><u>Term:</u> Three (3) years from October 17, 2016 till October 16, 2019</p> <p><u>Occupation:</u> Ex-serviceman</p> <p><u>DIN:</u> 07628898</p>	59	<p><u>Public Limited Entities:</u></p> <p>Nil</p> <p><u>Private Limited Entities:</u></p> <p>Nil</p> <p><u>Foreign Entities:</u></p> <p>Nil</p>
<p><b>Mr. Yugal Kishor Chothuram Sikri</b></p> <p><u>Designation:</u> Independent Director</p> <p><u>Residential Address:</u> C-602, Oberoi Splendor, Fantasy Land, Opp. Majas Depot, J.V. Link Road, Jogeshwari (East), Mumbai 400060, Maharashtra, India.</p> <p><u>Date of Appointment:</u> October 17, 2016</p> <p><u>Term:</u> Three (3) years from October 17, 2016 till October 16, 2019</p> <p><u>Occupation:</u> Service</p> <p><u>DIN:</u> 07576560</p>	59	<p><u>Public Limited Entities:</u></p> <ul style="list-style-type: none"> <li>▪ RPG Life Sciences Limited</li> </ul> <p><u>Private Limited Entities:</u></p> <p>Nil</p> <p><u>Foreign Entities:</u></p> <p>Nil</p>
<p><b>Mr. Venkatesh Shamanna Vastare</b></p> <p><u>Designation:</u> Independent Director</p> <p><u>Residential Address:</u> #D-501, Sterling Terraces, 100 Ft. Ring Road, BSK 3<sup>rd</sup> stage, Bengaluru 560085, Karnataka, India.</p> <p><u>Date of Appointment:</u> December 2, 2016</p> <p><u>Term:</u> Three (3) years from December 2, 2016 till December 1, 2019</p> <p><u>Occupation:</u> Professional</p> <p><u>DIN:</u> 07648334</p>	54	<p><u>Public Limited Entities:</u></p> <p>Nil</p> <p><u>Private Limited Entities:</u></p> <p>Nil</p> <p><u>Foreign Entities:</u></p> <p>Nil</p>

#### Family Relationships between the Directors

Except where Ms. Beauty Singh is wife of Mr. Krishna Singh, none of our Directors have family relationships between them.

## Brief biographies of our Directors

1. **Mr. Krishna Singh**, aged 41 years, is the Chairman & Managing Director of our Company. Mr. Singh has done Graduate Diploma in Human Resource Management with specialisation in Marketing Management from Indian Institute of Social Welfare and Business Management. Mr. Singh is also obtained the degree of Bachelor of Science from Calcutta University. Mr. Singh has over fifteen (15) years of experience in various sectors such as Consumer Durables, Banking, Retail, Pharma, Healthcare and Telecom. Mr. Singh has also participated in Programme of new product strategy held at Indian Institute of Management, Ahmedabad. Mr. Singh looks into the domestic as well as international business operations of our Company.
2. **Mr. N.K. Venkitakrishnan**, aged 49 years, is the Whole Time Director and Chief Executive Officer (CEO) of our company. Mr. Venkitakrishnan holds a dual degree in Electrical & Electronics Engineering from the University of Calicut and has also co-authored bestselling books published by Prentice Hall on the subject of Enterprise Resource Planning prior to joining our company; Mr. Venkitakrishnan co-founded an information security company. He has been instrumental in overall revenue growth & profitability, brand building and enhancing shareholder value as CEO of an IT company in Mauritius. He has held leadership roles in multinational giants.
3. **Ms. Beauty Singh**, aged 37 years, is the Non- Executive Director of our Company. Ms. Singh holds the degree of Bachelor of Arts from University of North Bengal and has done her Masters in Arts in Political Science from University of Burdwan. Ms. Singh has more than five (5) years of experience. She looks into the administrative aspects of our Company.
4. **Mr. Subramanian Venkateswaran**, aged 59 years, is the Independent Director of our Company. Mr. Venkateswaran has done his Bachelors of Science from University of Madras and is a certificated Associate of the Indian Institute of Bankers. Mr. Venkateswaran has been a banker having worked in Standard Chartered Bank and Axis Bank. Mr. Venkateswaran has more than thirty (30) years of experience in the banking and finance sector.
5. **Mr. Yugal Sikri**, aged 59 years, is the Independent Director of our Company. Mr. Sikri has done his Bachelor of Pharmacy from University of Delhi, Masters of Marketing Management from University of Bombay and Master of Pharmacy from Banaras Hindu University. Mr. Sikri has more than thirtyfive (35) years of experience in the pharmaceutical industry.
6. **Mr. Venkatesh Vastare**, aged 54 years, is the Independent Director of our Company. Mr. Vastare has done his Bachelor of Science from Gulbarga University. He has also completed 'Maximizing your Leadership Potential – India' from Havard Business School and has completed 'Strategic thinking and Leadership for Growth Programme' from The Wharton School. Mr. Vastare has more than thirty (30) years of experience in healthcare sector.

## Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of a senior management as on the date of this Draft Prospectus.

## Service Contracts

Our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

## Common directorships of the Directors in companies whose shares are/were suspended from trading on the BSE and/ or the NSE for a period beginning from five (5) years prior to the date of this Draft Prospectus

None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.

## Director's association with the Securities Market

None of the Directors of our Company are associated with securities market.

## Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India

Except for the details mentioned under section titled "Other Regulatory and Statutory Disclosures" beginning on page 162 of this Draft Prospectus, none of the Directors are/ were directors of any entity whose shares were delisted from any Stock Exchange(s).

Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.

### Borrowing Powers of the Board

The Articles, subject to the provisions of Section 180(1)(c) of the Companies Act, 2013 authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders have, pursuant to a resolution passed at the AGM held on September 26, 2016, in accordance with Section 180(1)(c) of the Companies Act, 2013 authorized the Board to borrow monies from time to time, such sums of money even though the money so borrowed together with money already borrowed exceeds the aggregate of the paid-up capital and free reserves of the Company provided, however, that the total borrowing (apart from the temporary loans taken from the company's bankers) shall not exceed ₹10,000 lakhs.

### Remuneration to Non-Executive Directors

The Board of Directors in its meeting held on October 14, 2016 had approved sitting fees of ₹40,000 to be paid to each Non-Executive Director(s) for attending every meeting of the Board or a Committee thereof.

### Remuneration to Executive Directors

- Mr. Krishna Singh**, is the Chairman & Managing Director of our Company and was appointed by way of a board resolution dated November 10, 2016 and a shareholder's resolution dated December 7, 2016 for a period of five (5) years commencing from November 10, 2016 till November 9, 2021. Mr. Krishna Singh's terms of appointment have been laid down under the Employment Agreement dated December 7, 2016. The significant terms of his employment are set out below:

Particulars	Remuneration
Basic Salary	₹33,00,000 per annum
Appointment as a Managing Director	November 10, 2016 (Five (5) years with effect from November 10, 2016 till November 9, 2021)
Other Allowances	<ul style="list-style-type: none"> <li>▪ House Rent Allowance;</li> <li>▪ Bonus;</li> <li>▪ Medical expenses;</li> <li>▪ Maintenance / Conveyance allowance;</li> <li>▪ Reimbursement of travel and entertainment expenses as per Company's policy.</li> </ul>
Remuneration paid for F.Y. 2015-2016	₹13,33,332

- Mr. N.K. Venkitakrishnan**, is the Whole Time Director of our Company and was appointed by way of a board resolution dated November 10, 2016 and a shareholder's resolution dated December 7, 2016 for a period of five (5) years commencing from November 10, 2016 till November 9, 2021. Mr. N.K. Venkitakrishnan's terms of appointment have been laid down under the Employment Agreement dated December 7, 2016. The significant terms of his employment are set out below:

Particulars	Remuneration
Basic Salary	₹27,00,000 per annum
Appointment as a Whole Time Director	November 10, 2016 (Five (5) years with effect from November 10, 2016 till November 9, 2021)
Other Allowances	<ul style="list-style-type: none"> <li>▪ House Rent Allowance;</li> <li>▪ Bonus;</li> <li>▪ Medical expenses;</li> <li>▪ Maintenance / Conveyance allowance;</li> <li>▪ Entitlement of sweat equity constituting 4.1% of the total paid-up share capital of the Company at such price as may be determined at the time of issue of such sweat equity shares;</li> <li>▪ Reimbursement of travel and entertainment expenses as per Company's policy.</li> </ul>
Remuneration paid for F.Y. 2015-2016	--

### Shareholding of Directors in our Subsidiaries and our Associate Company

Our Company does not have subsidiary and associate company as on the date of this Draft Prospectus.

## Interests of our Directors

Our Directors may be deemed to be interested to the extent of the remuneration paid to them or services rendered as a Director of our Company and reimbursement of expenses payable to them. For further details, please refer to sub-sections "Remuneration to Executive Directors and Remuneration to Non-Executive Directors" above. Mr. Krishna Singh is also interested to the extent of being Promoter of our Company. For further details, please refer to section titled "Our Promoters and Promoter Group of our Company" beginning on page 108 of this Draft Prospectus.

Further, none of our Directors have any interest in any property acquired by our Company within two (2) years of the date of this Draft Prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building. Further, except as disclosed under sub-section "Shareholding of Directors in our Company" above, none of our Directors hold any Equity Shares, preference shares or any other form of securities in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees pursuant to the Issue. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Except as stated in this section "Our Management" or the section titled "Financial Statements - Related Party Transactions" beginning on pages 96 and 114 respectively of this Draft Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in the business of our Company.

Other than as stated above and except as stated in the section titled "Financial Statements" and "Our Promoters and Promoter Group of our Company" beginning on pages 114 and 108 respectively of this Draft Prospectus, our Directors do not have any other interest in the business of our Company.

Our directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or trustees pursuant to this Issue.

## Changes in our Company's Board of Directors during the last three (3) years

The changes in the Board of Directors of our Company in the last three (3) years are as follows:

No.	Name of the Director & Designation	Date of Change	Reason
1.	Mr. Krishna Singh Chairman & Managing Director	November 10, 2016	Appointed as Managing Director
2.	Mr. N.K. Venkitakrishnan Whole Time Director	November 10, 2016	Appointed as Whole Time Director
3.	Mr. Subramanian Venkateswaran Independent Director	October 17, 2016	Appointment
4.	Mr. Yugal Sikri Independent Director	October 17, 2016	Appointment
5.	Mr. Dhiraj Sharma Director	September 15, 2016	Resignation
6.	Mr. Siddhartha Xavier Director	September 15, 2016	Resignation
7.	Ms. Beauty Singh Non-Executive Director	July 4, 2016	Appointment
8.	Mr. Krishna Singh Whole Time Director	April 11, 2016	Appointed as Whole Time Director

## Corporate Governance

Our Company is in compliance with the applicable corporate governance requirements, including under the provisions of the SEBI Listing Regulations, the Companies Act and other applicable laws and regulations. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of committees of the Board, as required under law. The Board has constituted committees of Directors, each of which functions in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations including with respect to the composition of Board of Directors, the constitution of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

The details of i) Audit Committee; ii) Nomination and Remuneration Committee; and iii) Stakeholders Relationship Committee committees are set out below:

**i) Audit Committee:**

Our Company has constituted the Audit Committee in accordance with the Section 177 of the Companies Act and Regulation 18 of SEBI (LODR) Regulations. Further, the Audit Committee was constituted by way of a Board resolution dated December 7, 2016. The audit committee presently consists of the following Directors of the Board:

- i) Mr. Venkatesh Vastare, Chairman
- ii) Mr. Yugal Sikri, Member
- iii) Mr. Krishna Singh, Member

The scope of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - 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;
  - g. Modified opinions in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. 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;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of the transactions of the Company with related parties;
9. Scrutiny of Inter-Corporate Loans and Investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of Internal Financial Controls and Risk Management Systems;
12. Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems;
13. 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;
14. Discussion with Internal Auditors of any significant findings and follow up there on;
15. 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;
16. Discussion with Statutory Auditor before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. 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;
18. To review the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of Chief Financial Officer - after assessing the qualifications, experience & background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by the management;
3. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

ii) **Nomination and Remuneration Committee:**

Our Company has constituted in terms of Section 178 of the Companies Act, Remuneration Committee as Nomination and Remuneration Committee in the meeting of the Board of Directors held on December 7, 2016. The Nomination and Remuneration Committee presently consists of the following Directors of the Board:

- i) Mr. Yugal Sikri, Chairman
- ii) Mr. Subramanian Venkateswaran, Member
- iii) Ms. Beauty Singh, Member

The terms of reference of Nomination and Remuneration Committee are set out below:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to our Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and our Board;
3. Devising a policy on Board diversity;
4. 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 our Board their appointment and removal.

iii) **Stakeholders Relationship Committee:**

Our Company has constituted the Stakeholders Relationship Committee by way of a Board Resolution dated December 7, 2016. The Stakeholders Relationship Committee presently consists of the following Directors of the Board:

- i) Mr. Beauty Singh, Chairman
- ii) Mr. Krishna Singh, Member
- iii) Mr. N.K. Venkitakrishnan, Member

The scope of the Stakeholders Relationship Committee is set out below:

1. To consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends, balance sheets of the Company or any other documents or information to be sent by the Company to its shareholders under the applicable laws etc.

iv) **IPO Committee:**

Our Company has constituted the IPO Committee by way of a Board Resolution dated December 7, 2016. The IPO Committee presently consists of the following Directors of the Board:

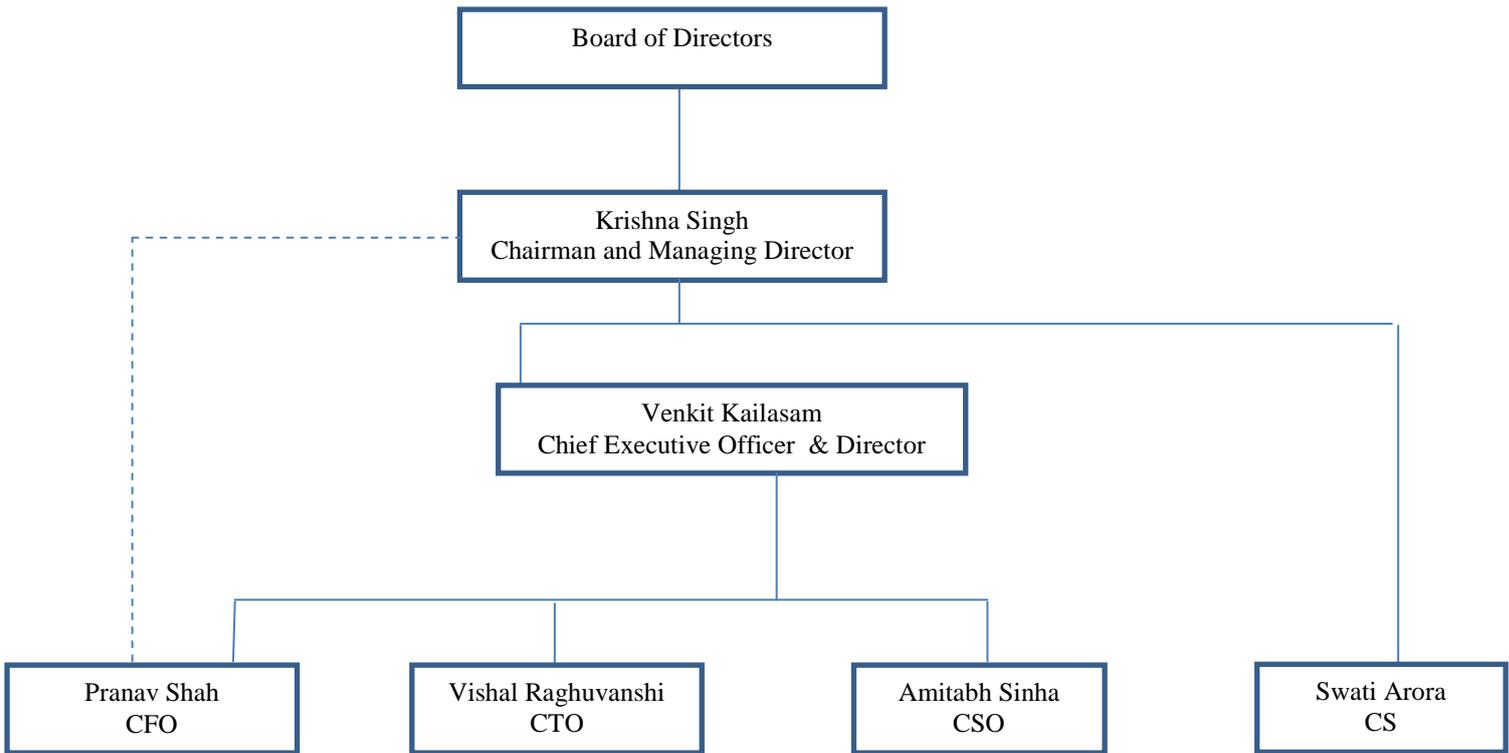
- (i) Mr. N.K. Venkitakrishnan, Chairman
- (ii) Mr. Krishna Singh, Member
- (iii) Mr. Yugal Sikri, Member

The scope of the IPO Committee is set out below:

1. To decide on the actual size of the IPO and all the terms and conditions of the IPO, including without limitation timing, opening and closing date of the issue, price/price band, allocation/allotment to eligible persons pursuant to the IPO and to accept any amendment, modification, variations or alteration thereto;
2. to appoint, instruct and enter into arrangements with the Lead Manager(s) (“LMs”), co-managers, underwriters, market makers, brokers, escrow collection bankers, public issue banks, refund bankers, registrars, legal advisors, printers, advertising agency and other agencies or persons (including successors or replacements thereof) whose appointment is required in relation to the IPO and to negotiate and finalize the terms of their appointments, including but not limited to execution of the mandate letters with the LMs;
3. to finalize, settle, approve, adopt and arrange for submission of the DraftProspectus, the Prospectus and any amendments, supplements, notices or corrigenda thereto, to appropriate government and regulatory authorities, institutions or bodies;
4. to issue advertisements in such newspapers as it may deem fit and proper in accordance with SEBI ICDR Regulations and other applicable laws;
5. to decide the total number of Equity shares to be reserved for allocation to the eligible category of investors, if any;
6. to negotiate, finalize, sign, execute and deliver or arrange the delivery of the issue agreement, escrow agreement and the underwriting agreements, market making agreement and agreements with registrar to the IPO and the advertising agency(ies) and all other agreements, documents, deeds, Memorandum of understanding and other instruments whatsoever with the registrar to the IPO, legal advisors, auditors, stock exchange(s), LMs and other agencies/ intermediaries in connection with IPO with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents;
7. to make any applications to the FIPB, RBI and such other statutory and governmental authorities, as may be required, for the purpose of issue of shares by the Company to the non- resident investors, including NRIs and FIIs and wherever necessary, incorporate such modifications/amendments/alterations/corrections as may be required in the Draft Prospectus and the prospectus;
8. to make application for listing of Equity Shares of the Company on SME Platform of one or more stock exchange(s), to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the concerned stock exchange(s) and to take all such other actions as may be necessary in connection with obtaining such listing;
9. to finalise the basis of allocation and to allot the equity shares to the successful allottees in accordance with relevant rules;
10. to do all such deeds and act as may be required to dematerialized the equity shares of the Company and to sign and/or modify, as the case may be, and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and share transfer agents and such other agencies, as may be required in this connection with the power to authorise one or more officers of the Company to execute all or any of the aforesaid documents;
11. to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk management policy and other corporate governance requirements considered necessary by the board or the IPO committee or as required under applicable laws;
12. to seek, if required, the consent of the Company’s lenders, party with whom the Company has entered into various commercial and other agreements, all concerned governments and regulatory authorities in India or outside India, and any other consents that may be required in connection with the IPO in accordance with the applicable regulations;
13. to determine the Price at which the Equity Shares are offered, allocated, issued, and/or allotted to investors in the IPO in accordance with the applicable regulations in consultation with the LMs and/or any other advisors, to the eligible categories of investors;
14. to settle all questions, difficulties or doubts that may arise in relation to the IPO, as it may in its absolute discretion deem fit;
15. to do all acts and deeds, execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the IPO;
16. to authorise and approve the incurring of expenditure and payments of fees, commissions and remunerations in connection with the IPO;
17. to Submit Undertakings/certificates or provide clarifications to the relevant stock exchanges where the Equity shares of the Company are to be listed; and
18. to authorise and empower the officers of the Company (each, an “Authorized Officer”), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officers considered necessary, appropriate or advisable, in connection with the IPO, including, without limitations, engagement letter(s), memoranda of understanding, the listing agreement, the registrar’s agreements and memorandum of understanding, the

depositories agreement, the issue agreement with the lead managers (and other entities as appropriate), the underwriting agreement, the escrow agreement, confirmation of allocation notes, and any agreement or document in connection with the IPO, with the LMs, bankers to the IPO, registrar to the IPO, bankers to the Company, underwriters, market makers, escrow agents, accountants, auditors, legal counsel, depositories, advertising agencies, and all such persons or agencies as may be involved in or concerned with the IPO, if any and to do or cause to be done any and all such acts or things that the Authorized officer may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the IPO; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer shall be conclusive of evidence of the authority of the Authorized Officer and the Company in so doing.

### Management Organizational Structure



## Profiles of our Key Managerial Personnel

The details of the Key Managerial Personnel as on the date of this Draft Prospectus are set out below. All the Key Managerial Personnels are permanent employees of our Company. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

1. **Mr. N.K. Venkitakrishnan**, 49 years, is the Chief Executive Officer (CEO) and Whole Time Director of our Company. For further details, please refer to "Brief biographies of our Directors" beginning on page 98 of this Draft Prospectus.
2. **Mr. Pranav Shah**, 35 years, is the Chief Financial Officer (CFO) of our Company. Mr. Shah holds a degree of Bachelor of Commerce (B.Com) from University of Mumbai and is a member of Institute of Chartered Accountants of India. He has more than twelve (12) years of experience in directing & controlling the financial management functions and is associated with our Company since July 2016. Prior to joining our Company, Mr. Verma was an Associate Partner at IXCFO, Mumbai.
3. **Mr. Amitabh Sinha**, 51 years, is the Chief Strategy Officer of our Company. Mr. Sinha holds a degree of Bachelor of Science from Nagpur University. He has more than twenty four (24) years of experience in sales and marketing operations. Mr. Sinha has recently been appointed by our Company in April 2016. Prior to joining our Company, Mr. Sinha was associated with various companies as a consultant.
4. **Mr. Vishal Raghuvanshi**, 40 years, is the Chief Technology Officer of our Company. Mr. Raghuvanshi holds a degree of Bachelor of Engineering (Electronics) from North Maharashtra University, Jalgaon. He has more than fifteen (15) years of experience in telecommunication & IT industry, project and programme management, technical marketing and business development, etc. Prior to joining our Company, Mr. Raghuvanshi was associated with Airtel Africa as chief technology officer (CTO).
5. **Ms. Swati Arora**, 27 years, is our Company Secretary of our Company. Ms. Arora is a member of Institute of Company Secretaries of India. She has also pursued Masters in Business Administration from Punjab Technical University. She has nearly two (2) years of experience in secretarial related matters and has recently in June 2016 joined our Company. Prior to joining our Company, Ms. Arora was associated as assistant manager with Sunil Dhawan & Associates, Company Secretaries.

## Shareholding of Key Management Personnels in our Company

Except as set out below, none of the Key Management Personnels hold Equity Shares in our Company as on the date of this Draft Prospectus:

Particulars	Number of Shares	Percentage (%) holding
Mr. Vishalsingh Raghuvanshi	2,47,000	2.93
Mr. Amitabh Sinha	1,23,500	1.47
<b>Total</b>	<b>3,70,500</b>	<b>4.40</b>

## Bonus or profit sharing plan of the Key Managerial Personnel

Our Company does not have a performance linked bonus or a profit sharing plans for the Key Management Personnel. However, our Company pays incentive to all its employees based on their performance including the Key Managerial Personnel's of our Company.

## Interests of Key Management Personnel

The Key Management Personnel 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. Our Key Management Personnel may also be interested to the extent of Equity Shares, if any, held by them.

## Payment of Benefits to Officers of our Company (*non-salary related*)

Except as disclosed in this Draft Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

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

Except as stated under section titled "Financial Statements" beginning on page 114 of this Draft Prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoter.

#### **Relationship amongst the Key Managerial Personnel of our Company**

There is no family relationship amongst the Key Managerial Personnel of our Company.

#### **Relationship between the Directors and Key Managerial Personnel**

There is no family relationship between the Directors and Key Managerial Personnel of our Company.

#### **Arrangement and Understanding with Major Shareholders/Customers/ Suppliers**

None of the above Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

#### **Details of Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

#### **Employee Stock Option or Employee Stock Purchase**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Prospectus.

#### **Loans availed by Directors / Key Managerial Personnel of our Company**

None of the Directors or Key Managerial Personnels have availed loan from our Company which is outstanding as on the date of this Draft Prospectus.

#### **Changes in our Company's Key Managerial Personnel during the last three (3) years**

The changes in the Key Managerial Personnel of our Company in the last three (3) years are as follows:

<b>No.</b>	<b>Name of the Key Managerial Personnel &amp; Designation</b>	<b>Date of change</b>	<b>Reason</b>
1.	Mr. Pranav Shah Chief Financial Officer (CFO)	July 4, 2016	Appointment
2.	Ms. Swati Arora Company Secretary	May 31, 2016	Appointment
3.	Mr. N.K. Venkitakrishnan Chief Executive Officer (CEO)	April 11, 2016	Appointment

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

Our Promoter is Mr. Krishna Singh. As on the date of this Draft Prospectus, Mr. Krishna Singh holds 39,29,666 Equity Shares which in aggregate, constitutes 46.66% of the issued and paid-up Equity Share capital of our Company.

### Details of Individual Promoters of our Company

	<p>Mr. Krishna Singh is the Promoter and Managing Director of our Company. For further details, please refer to section titled "Our Management" beginning on page 96 of this Draft Prospectus.</p> <p>Permanent Account Number: ALS4958E          Passport No.: G8149956          Voter Identification Number: WRN7753627          Aadhar No.: 4316 9431 2352</p> <p>For further details in relation to other ventures of Mr. Krishna Singh, please refer to section titled "Group Entities of our Company" beginning on page 111 of this Draft Prospectus.</p>
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Our Company confirms that it has submitted the details of the PAN, Bank Account Number and Passport Numbers of our Promoter to BSE at the time of filing the Draft Prospectus.

For more details on the Promoter, please refer to the section titled "Our Management" beginning on page 96 of this Draft Prospectus.

### Interests of our Promoters

Our Promoter is interested in our Company to the extent of his Equity shareholding in our Company and any dividend distribution that may be made by our Company in the future. For details pertaining to our Promoters' shareholding, please refer to section titled "Capital Structure" beginning on page 47 of this Draft Prospectus. Our Promoter is also interested as a Director on our Board, as well as any remuneration of expenses payable to him. In addition, as on the date of this Draft Prospectus, our Promoter receives remuneration and reimbursement of expenses payable to him from our Company. For further information on remuneration to the Executive Director, please refer to section titled "Our Management" beginning on page 96 of this Draft Prospectus.

Our Promoter has not entered into any contract, agreements or arrangements in which our Promoter are directly or indirectly interested and no payments have been made to him in respect of the contracts, agreements or arrangements which are proposed to be made with him including the properties purchased by our Company other than in the normal course of business.

None of our Promoter or Group Entities have any interest in any property acquired by our Company within two (2) years of the date of this Draft Prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building or supply of machinery.

### Common Pursuits

Our Promoter or directors are not involved with any ventures in the same line of activity or business as that of our Company.

### Confirmations

Our Company hereby confirms that:

- ❖ Our Promoter is not interested in any property acquired by our Company in the two (2) years immediately preceding the date of this Draft Prospectus, or proposed to be acquired by our Company.
- ❖ Our Promoter has not been declared as a willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by the Promoter in the past or are pending against him.

- ❖ None of our Promoter, Promoter Group or Directors or persons in control of our Company or bodies corporate forming part of our Promoter Group have been (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

#### Payment or benefits to the Promoters in the last two (2) years

No payment or benefit has been made to the Promoter except as disclosed in the related party transaction. For further details, please refer to Annexure 32 titled "Statement of Related Party Transactions as restated" under section titled "Financial Information" beginning on page 114 of this Draft Prospectus.

#### Disassociation by the Promoter from entities in last three (3) years

Except as set out below, our Promoter has not disassociated from any of the companies or firms in the last three (3) years by virtue of transfer of their shareholding and/or resigning as directors from the Board of Directors of the below mentioned companies. Our Promoter has dissociated with these companies, as the business activities of these companies were not in line with the envisaged visions of our Promoter.

No.	Name of the entity	Date of disassociation
1.	Globalspace Communications Technologies Private Limited	June 22, 2016
2.	Globalspace Healthcare Technologies Private Limited	June 22, 2016
3.	Globalspace Eduaction Technologies Private Limited	June 22, 2016

#### Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters please refer to section titled "Outstanding Litigations and Material Developments" beginning on page 157 of this Draft Prospectus.

#### Individual Promoter Group of our Promoter

In addition to our Promoter named in above section, the following natural persons are part of our Promoter Group in terms of Regulation 2(1) (zb) of SEBI (ICDR) Regulations:

Name of our Promoter	Name of the Relative	Relationship with the Relative
Mr. Krishna Singh	Mr. Ram Singh	Father
	Ms. Kumari Devi	Mother
	Ms. Beauty Singh	Wife
	--	Brother
	Ms. Asha Singh Ms. Madhuri Singh Ms. Suman Sharma Ms. Rajni Singh Ms. Kalyani Singh	Sister
	Ms. Kamyia Singh Ms. Kashivi Singh	Daughter
	Mr. Kridaya Singh	Son
	Late. Shyam Sunadri Shukla	Spouse's Mother
	Mr. Rameshwar Shukla	Spouse's Father
	Mr. Sunil Shukla Mr. Arun Shukla Mr. Ajit Shukla Mr. Vishwajit Shukla	Spouse's Brother
Ms. Rita Singh Ms. Sheela Singh	Spouse's Sister	

**Promoter Group Entities of our Promoters**

Our Company does not have any entities which form a part of our Promoter Group entities in terms of Regulation 2(1) (zb) of SEBI (ICDR) Regulations.

## GROUP ENTITIES OF OUR COMPANY

As per the requirements of SEBI (ICDR) Regulations, for the purpose of identification of 'group companies/ entities', our Company has considered companies as covered under the applicable accounting standards (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India), or other companies as considered material by our Board. Pursuant to a resolution of our Board dated December 7, 2016, for the purpose of disclosure in offer documents for the Issue, a company shall be considered material and will be disclosed as a Group Entity if such company forms part of the Promoter Group, and our Company has entered into one or more transactions with such company in the previous audit fiscal year / period cumulatively exceeding 10% of the total revenue of our Company for such fiscal.

Based on the above, our Company does not have any entity coming within the purview of being a "Group Entity".

### **Changes in Accounting Policies in last three (3) years**

Our Company has not changed its accounting policies in the last three (3) years.

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## **RELATED PARTY TRANSACTIONS**

For details on related party transactions of the Company, please refer to Annexure 32 titled "Statement of Related Party Transactions as restated" under section titled "Financial Information" beginning on page 114 of this Draft Prospectus.

## DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by our shareholders at their discretion, subject to the provision of the Articles of Association and the Companies Act. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements and overall financial position of our Company. In addition, our ability to pay dividends may be impacted by a number of other factors, including, restrictive covenants under the loan or financing documents that we may enter into from time to time. Our Company has no formal dividend policy. Our Board may also, from time to time, pay interim dividends.

Our Company has not declared dividend in the last five (5) financial years.

**SECTION VI: FINANCIAL INFORMATION****FINANCIAL STATEMENTS****INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIAL STATEMENTS AS REQUIRED BY SECTION 26 OF THE COMPANIES ACT, 2013 WITH RULE 4 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014**

The Board of Directors,  
**Globalspace Technologies Limited,**  
605, 6<sup>th</sup> Floor, A-1, 'B' Wing,  
Rupa Solitaire Building, MIDC,  
Mahape, Navi Mumbai -400710

Dear Sirs,

Re.: Public Issue of Equity Shares of **Globalspace Technologies Limited**

1. We have examined the attached Restated Financial information of Globalspace Technologies Limited (the 'Company') annexed to this report for the purpose of inclusion in the offer document, signed by us for identification, in terms of our engagement agreed upon with you in accordance with our engagement letter dated November 7, 2016 in connection with the proposed issue of Equity Shares of the Company. The Restated Financial information has been approved by the Board of Directors of the Company, prepared in terms of the requirements of:
  - a) Sub- Clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ('the Act') read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules ('the Rules'), 2014.
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ('the Regulations') issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of Section 30 of the Securities and Exchange Board of India Act, 1992 and
  - c) The Guidance Note (Revised) on Reports in Company Prospectus and Guidance Note on Audit Reports/ Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (ICAI).
2. This Restated Financial information has been extracted by the Management from the financial statements for the quarter ended June 30, 2016 and year ended March 31st, 2012, 2013, 2014, 2015 and 2016. Audit for the financial year ended March 31st, 2012 and 2013 was conducted by B.M.Udeshi & Co., Chartered Accountants and audit for the financial year ended March 31st, 2014 and 2015 was conducted by Shivakshar Singh Sisodia, Chartered Accountants. Accordingly, reliance has been placed on the financial information examined by them for the said years'. The financial report included for these years, i.e., March 31<sup>st</sup>, 2012, 2013, 2014 and 2015 are solely based on the report submitted by them.
3. We have also examined the financial information of the Company for the quarter ended June 30, 2016 and year ended March 31st 2012, 2013, 2014, 2015 and 2016 prepared and approved by the Board of Directors for the purpose of disclosure in the offer documents of the Company mentioned in Paragraph (1) above.

The financial information for the above period was examined to the extent practicable, for the purpose of audit of financial information in accordance with the Engagement Standards issued by the ICAI. Those Standards require that we plan and perform our audit to obtain reasonable assurance, whether the financial information under examination is free of material misstatement.

In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and the other provisions relating to accounts of Globalspace Technologies Limited, we, Tolia & Associates., have been subjected to the peer review process of the ICAI and hold a valid certificate issued by the Peer Review Board of the ICAI.

Based on the above, we report that in our opinion and according to the information and explanations given to us, we have found the same to be correct and the same have been accordingly used in the restated financial information appropriately.

4. In accordance with the requirements of the Companies Act, 2013, the SEBI (ICDR) Regulations and terms of our engagements agreed with you, we further report that;
- The Restated Summary Statement of Assets and Liabilities of the Company, including as at March 31<sup>st</sup> 2012, 2013, 2014 and 2015 examined and reported upon by previous auditors as mentioned above on which reliance has been placed by us, and for the quarter ended June 30, 2016 and as at March 31<sup>st</sup> 2016 examined by us, as set out in **Annexure 1** to this report are after making adjustments and regroupings as in our opinion were appropriate and are subject to the Significant Accounting Policies and Notes to the Financial Statements along with adjustments on account of change in policies and restatements as appearing in **Annexure 4** to this report.
  - The Restated Summary Statement of Profit or Loss of the Company for the year then ended, including for the year ended March 31<sup>st</sup> 2012, 2013, 2014 and 2015 examined by previous auditors as mentioned above and who have submitted their report on which reliance has been placed by us, and for the quarter ended June 30, 2016 and year ended March 31<sup>st</sup> 2016 examined by us, as set out in **Annexure 2** to this report are after making adjustments and regrouping as in our opinion were appropriate and are subject to the Significant Accounting Policies and Notes to the Financial Statements along with adjustments on account of change in policies and restatements as appearing in **Annexure 4** to this report
  - The Restated Summary Statement of Cash Flows of the Company for the year then ended, including for the year ended March 31<sup>st</sup> 2012, 2013, 2014 and 2015 examined by previous auditors as mentioned above and who have submitted their report on which reliance has been placed by us and for the quarter ended June 30, 2016 and year ended March 31<sup>st</sup> 2016 examined by us, as set out in **Annexure 3** to this report are after making adjustments and regrouping as in our opinion were appropriate and are subject to the Significant Accounting Policies and Notes to the Financial Statements along with adjustments on account of change in policies and restatements as appearing in **Annexure 4** to this report
5. Based on above and also as per the reliance placed on the reports submitted by the previous auditors for the respective years, we are of the opinion that that the restated financial information have been made after incorporating:
- Adjustments for the changes if any in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods.
  - Adjustments for the material amounts in the respective financial years to which they relate.
  - There are no extra-ordinary items that need to be disclosed separately in the Financial Statements.
  - There are no other qualifications requiring adjustments other than the points contained in notes to the Financial Statements and
  - The Company has not paid any dividend on its equity shares till June 30, 2016.
6. We have also examined the following other Restated financial information set out in Annexures prepared by the Management and approved by the Board of Directors relating to the Company for the quarter ended June 30, 2016 and year ended March 31<sup>st</sup> 2012, 2013, 2014, 2015 and 2016. In respect of the years ended March 31<sup>st</sup> 2012, 2013, 2014 and 2015, these information's have been included based upon the reports submitted by previous auditors as mentioned above and relied upon by us:
- Statement of Share Capital, as Restated -Annexure 5.
  - Statement of Reserves and Surplus, as Restated- Annexure 6.
  - Statement of Share Application Money Pending Allotment, as Restated- Annexure 7.
  - Statement of Long Term Borrowings, as Restated - Annexure 8.
  - Statement of Deferred Tax Liabilities, as Restated - Annexure 9.
  - Statement of Long Term provisions as Restated - Annexure 10.
  - Statement of Short Term Borrowings as Restated-Annexure 11.
  - Statement of Trade Payables, as Restated -Annexure 12.
  - Statement of Other Current Liabilities, as Restated-Annexure 13.
  - Statement of Short Term Provisions, as Restated -Annexure 14.
  - Statement of Fixed Assets, as Restated - Annexure 15.
  - Statement of Long Term Loans and Advances, as Restated- Annexure 16.
  - Statement of Inventories, as Restated - Annexure 17.
  - Statement of Trade Receivables, as Restated - Annexure 18.
  - Statement of Cash and Cash Equivalents, as Restated - Annexure 19.
  - Statement of Short Term Loans and Advances, as Restated - Annexure 20.
  - Statement of Other Current Assets, as Restated enclosed as Annexure 21.
  - Statement of Revenue from Operations, as Restated - Annexure 22.
  - Statement of Other Income, as Restated – Annexure 23.
  - Statement of Changes in Inventories, as Restated - Annexure 24.
  - Statement of Employee Benefit Expense, as Restated - Annexure 25.

- xxii) Statement of Finance Costs, as Restated-Annexure 26.
- xxiii) Statement of Depreciation and Amortisation Expense, as Restated- Annexure 27.
- xxiv)Statement of Other Expenses, as Restated - Annexure 28.
- xxv) Statement of Tax Shelter, as Restated as - Annexure 29.
- xxvi)Statement of Capitalisation, as Restated - Annexure 30.
- xxvii) Statement of Earnings per Share, as Restated - Annexure 31.
- xxviii) Statement of Related Party Transactions, as Restated - Annexure 32.
- xxix)Statement of Financial Indebtedness, as Restated -Annexure 33.
- xxx) Statement of Accounting Ratios - Annexure 34.
- xxxi)Statement of other Notes to the Financial Statements –Annexure 35.

In our opinion the financial information contained in Annexure 1 to 35 of this report read along with the Significant Accounting Policies, Notes to the Financial Statements and adjustments on account of change in policies and restatements as appearing in Annexure 4 to this report along with regroupings as considered appropriate, and have been prepared in accordance with sub- clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities)Rules, 2014 and the Regulations issued by SEBI.

7. 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 us.
8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed issue of equity shares of the Company. Our report should not be used for any other purpose except with our consent in writing.

**For Tolia & Associates**

Chartered Accountants

Firm Registration Number: 111017W

**Kiran P. Tolia**

Proprietor

Membership Number: 043637

Mumbai, December 13, 2016

## Annexure 1 : Summary Statement of Assets &amp; Liabilities, as restated

(₹ in lakhs)

Particulars	Anne xure No	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	As at March 31, 2012
<b>A EQUITY AND LIABILITIES</b>							
<b>1 Shareholders' funds</b>							
Share capital	5	124.27	116.52	94.84	94.84	30.70	2.80
Reserves and surplus	6	706.61	584.95	366.96	282.13	29.54	(0.45)
		<b>830.88</b>	<b>701.47</b>	<b>461.80</b>	<b>376.97</b>	<b>60.24</b>	<b>2.35</b>
<b>2 Share application money pending allotment</b>	7	38.07	-	-	-	208.50	236.40
<b>3 Non-current liabilities</b>							
Long -term borrowings	8	65.30	-	-	-	-	-
Deferred tax liabilities (net)	9	31.73	34.52	15.56	13.81	11.34	0.25
Long -term provisions	10	2.96	2.95	1.28	1.61	1.42	3.06
		<b>99.99</b>	<b>37.47</b>	<b>16.84</b>	<b>15.42</b>	<b>12.76</b>	<b>3.31</b>
<b>4 Current liabilities</b>							
Short-term borrowings	11	274.14	375.38	372.37	283.47	108.44	9.69
Trade payables	12						
- total outstanding dues of micro and small enterprises		-	-	-	-	-	-
- total outstanding dues of creditors other than micro and small enterprises		159.41	345.34	54.32	49.58	125.84	85.89
Other current liabilities	13	196.77	175.33	140.43	84.05	105.92	25.37
Short-term provisions	14	20.07	6.63	18.20	5.77	4.22	4.63
		<b>650.39</b>	<b>902.68</b>	<b>585.32</b>	<b>422.87</b>	<b>344.42</b>	<b>125.58</b>
<b>Total</b>		<b>1,619.33</b>	<b>1,641.62</b>	<b>1,063.96</b>	<b>815.26</b>	<b>625.92</b>	<b>367.64</b>
<b>B ASSETS</b>							
<b>1 Non Current assets</b>							
Fixed assets							
- Tangible assets	15	18.66	9.06	6.04	13.37	18.28	22.98
- Intangible asset	15	159.02	176.68	294.48	214.87	97.25	-
Long-term loans and advances	16	5.65	3.56	39.51	28.87	12.25	2.56
		<b>183.33</b>	<b>189.30</b>	<b>340.03</b>	<b>257.11</b>	<b>127.78</b>	<b>25.54</b>
<b>2 Current assets</b>							
Inventories	17	622.22	676.88	70.43	369.92	256.57	272.61
Trade receivables	18	755.67	757.71	471.54	175.43	236.51	54.97
Cash and cash equivalents	19	13.04	5.28	3.57	10.61	2.82	2.49
Short-term loans and advances	20	45.07	12.44	178.40	2.19	1.22	10.87
Other current assets	21	-	-	-	-	1.03	1.16
		<b>1,436.00</b>	<b>1,452.31</b>	<b>723.94</b>	<b>558.15</b>	<b>498.15</b>	<b>342.10</b>
<b>Total</b>		<b>1,619.33</b>	<b>1,641.61</b>	<b>1,063.97</b>	<b>815.26</b>	<b>625.93</b>	<b>367.64</b>

Note: The above statement should be read with notes on Adjustments to restated financial statements, significant accounting policies and notes to the financial statements as appearing in Annexure 4.

## Annexure 2: Summary Statement of Profits and Losses, as restated

(₹in lakhs)

Particulars	Annexure No.	For the quarter ended	For the year	For the year	For the year	For the year	For the year
		June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
<b>Revenue</b>							
Revenue from operations	22	378.66	1,398.22	1,079.77	615.66	406.56	81.78
Other income	23	-	-	0.33	-	2.07	0.88
<b>Total Revenue</b>		<b>378.66</b>	<b>1,398.22</b>	<b>1,080.10</b>	<b>615.65</b>	<b>408.63</b>	<b>82.66</b>
<b>Expenses</b>							
Purchases of stock in trade		145.65	1,390.98	570.86	421.75	220.26	17.22
Changes in inventory of stock in trade	24	54.66	(606.44)	61.47	(118.02)	(13.89)	-
Employee benefits expense	25	77.28	163.11	89.39	121.40	49.49	17.38
Finance costs	26	12.07	47.68	37.26	19.55	1.89	1.03
Depreciation and amortisation expense	27	19.40	120.40	54.56	44.46	71.28	6.03
Other expenses	28	36.40	165.60	178.88	74.31	32.04	13.25
<b>Total Expenses</b>		<b>345.46</b>	<b>1,281.33</b>	<b>992.42</b>	<b>563.45</b>	<b>361.07</b>	<b>54.91</b>
<b>Profit before tax</b>		33.20	116.89	87.68	52.20	47.56	27.75
<b>Tax Expense:</b>							
- Current tax		14.24	11.10	15.84	-	6.47	5.86
-MAT credit (entitlement)		-	-	(14.74)	(5.78)	-	-
- MAT credit utilised		-	35.24	-	5.78	-	-
- Tax adjustment of earlier years (net)		0.84	(10.82)	-	-	-	-
- Deferred tax- charge		(2.79)	18.94	1.75	2.47	11.10	-
<b>Profit for the period/year</b>		<b>20.91</b>	<b>62.43</b>	<b>84.83</b>	<b>49.73</b>	<b>29.99</b>	<b>21.89</b>

**Note:**

1. The above statement should be read with notes on Adjustments to restated financial statements, significant accounting policies and notes to the financial statements as appearing in **Annexure 4**.
2. The reconciliation between the audited and re-stated profit and loss is given in **Note No. 5 of Annexure 35**.

## Annexure 3 : Statement of Cash Flows, as restated

(₹in lakhs)

Particulars	For the quarter ended	For the year				
	June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
<b>A Cash flow from operating activities</b>						
Net profit before taxation	33.20	116.89	87.69	52.20	47.56	27.75
Adjustments for:						
Depreciation and amortization	19.40	120.40	54.56	44.46	71.28	6.03
Equity shares issued in lieu of professional fees	-	37.24	-	-	-	-
Bad debts written off	-	-	-	-	2.40	-
Finance cost	12.07	47.68	37.26	19.55	1.89	1.03
Miscellaneous expenditure written off	-	-	-	1.03	0.13	0.39
<b>Operating profit before working capital changes</b>	<b>64.67</b>	<b>322.21</b>	<b>179.51</b>	<b>117.24</b>	<b>123.26</b>	<b>35.20</b>
Adjustments for:						
Increase/(decrease) in trade payables	(185.93)	291.02	4.74	(76.26)	39.95	85.89
Increase/(decrease) in other current liabilities	21.43	20.80	56.40	(21.87)	80.55	25.37
Increase/(decrease) in long term provisions	0.01	2.95	(0.33)	0.19	(1.42)	3.06
Increase/(decrease) in short term provisions	(0.13)	0.35	-	(1.03)	(0.13)	-
(Increase)/decrease in long term loans & advances	(2.10)	0.72	6.89	1.09	(9.69)	(2.56)
(Increase)/decrease in inventories	54.66	(606.45)	299.49	(113.35)	16.04	(272.67)
(Increase)/decrease in trade receivables	2.04	(286.16)	(296.11)	61.08	(184.15)	(54.97)
(Increase)/decrease in long term borrowings	65.30	-	-	-	-	-
(Increase)/decrease in short term loans & advances	(32.63)	165.96	(158.51)	(0.87)	9.65	(10.87)
<b>Cash generated from/(used in) operations</b>	<b>(12.68)</b>	<b>(88.60)</b>	<b>92.08</b>	<b>(33.78)</b>	<b>74.06</b>	<b>(191.55)</b>
Taxes paid (net of refunds, if any)	(1.53)	(12.20)	(23.91)	(15.23)	(6.47)	5.86
<b>Net cash generated from/(used in) operating activities(A)</b>	<b>(14.21)</b>	<b>(100.80)</b>	<b>68.17</b>	<b>(49.01)</b>	<b>67.59</b>	<b>(185.69)</b>
<b>B Cash flow from investing activities</b>						
Purchase of fixed assets	(11.33)	(5.64)	(126.85)	(157.16)	(166.93)	(25.41)
<b>Net cash (used in) investing activities (B)</b>	<b>(11.33)</b>	<b>(5.64)</b>	<b>(126.85)</b>	<b>(157.16)</b>	<b>(166.93)</b>	<b>(25.41)</b>
<b>C Cash flow from financing activities</b>						
Proceeds from short term borrowings	(101.24)	3.01	88.89	175.02	98.75	9.69
Proceeds from long term borrowings	-	12.83	-	-	-	-
Finance cost	(12.06)	(47.67)	(37.26)	(19.55)	(1.89)	(1.03)
Proceeds from issuance of share capital (including securities premium)	108.50	140.00	-	267.00	30.70	1.80

Particulars	For the quarter ended	For the year	For the year	For the year	For the year	For the year
	June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
Receipt/(refund) of share application money	38.07	-	-	(208.50)	(27.90)	161.70
<b>Net cash generated from financing activities (C)</b>	<b>33.27</b>	<b>108.17</b>	<b>51.63</b>	<b>213.97</b>	<b>99.66</b>	<b>172.16</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>7.73</b>	<b>1.73</b>	<b>(7.05)</b>	<b>7.80</b>	<b>0.32</b>	<b>(38.94)</b>
<b>Cash and cash equivalents (opening)</b>	<b>5.29</b>	<b>3.56</b>	<b>10.61</b>	<b>2.81</b>	<b>2.49</b>	<b>41.43</b>
<b>Cash and cash equivalents (closing)</b>	<b>13.04</b>	<b>5.29</b>	<b>3.56</b>	<b>10.61</b>	<b>2.81</b>	<b>2.49</b>
<b>Net increase/(decrease) as disclosed above</b>	<b>7.73</b>	<b>1.73</b>	<b>(7.05)</b>	<b>7.80</b>	<b>0.32</b>	<b>(38.94)</b>

**Notes:**

1. Brackets indicate a cash outflow or deduction.
2. Components of cash and cash equivalents (closing):

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Cash on hand	1.51	3.59	3.54	10.40	2.67	1.12
Bank balances in current accounts	11.53	1.70	0.02	0.21	0.14	1.37
Cash and cash equivalents as shown above	<b>13.04</b>	<b>5.29</b>	<b>3.56</b>	<b>10.61</b>	<b>2.81</b>	<b>2.49</b>

**Annexure 4****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE RESTATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016****(a) Basis of preparation of financial statements:**

The Restated Summary Statements of Assets and Liabilities of the Company as at June 30, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement as at June 30, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, (herein collectively referred to as "Restated Summary Statements") have been compiled by management from the financial statements of the Company for the quarter ended June 30, 2016 and years ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, and March 31, 2012.

The Restated Summary Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable, and the relevant provisions of the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India. The Restated Summary Statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used for the purpose of preparation of financial statements for the quarter ended June 30, 2016 and years ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012.

Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with its proposed Initial Public Offering.

Restated Summary Statements of assets and liabilities, profits and losses and cash flows have been prepared to comply in

all material respects with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-Section (1) of Section 26 of Chapter III of the Companies Act, 2013 read with rules 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“the SEBI Guidelines”) issued by SEBI on August 26, 2009 as amended from time to time.

**(b) Use of estimates**

The preparation of the financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting periods. These estimates are based upon the Management’s best knowledge of current events and actions. Actual results could differ from these estimates.

**(c) Fixed assets:**

- (i) Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.
- (ii) Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful life. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the Management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

**(d) Depreciation, amortisation and impairment:**

**(i) Depreciation-tangibles:**

Depreciation on fixed assets are provided on written down value method in accordance with the provisions of the Act in the manner and at the rates specified in Schedule II to the Act. Depreciation on additions/deductions is calculated pro rata from/to the number of days of additions/deductions.

**a) Useful lives/ depreciation rates**

Considering the applicability of Schedule II, the Management has re-estimated useful lives and residual values of all its fixed assets. Depreciation on all the assets have been provided at the rates and in the manner prescribed in Schedule II to the Act on written down value method. The Management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets. This change in the manner of charging depreciation does not have any material impact on financial statements of the Company.

Depreciation on additions/deductions is calculated pro rata from/to the number of days of additions/deductions. In respect of an asset for which impairment loss is recognised, depreciation is provided on the revised carrying amount of the assets over its remaining useful life

**b) Depreciation on assets costing less than ₹5,000.**

Individual assets costing less than ₹5,000 are depreciated in full in the year of acquisition.

**(ii) Amortisation-intangibles:**

Intangible assets are initially measured at cost and amortised so as to reflect the pattern in which the asset’s economic benefits are consumed.

Computer software is amortised on @40% on written down value method.

**(iii) Impairment of assets:**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any

indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- a) an intangible asset that is not yet available for use; and
- b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

**(e) Inventories:**

Inventories are valued as follows:

Items of inventories are valued at lower of cost, computed on First In First Out basis and net realisable value. Such costs include material cost and other costs incurred in bringing the goods to their present location and condition. Goods in transit are valued at cost, which represents the costs incurred up to the stage at which the goods are in transit.

**(f) Revenue recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and it can be reliably measured.

- (i) Revenue from domestic sales is recognised on dispatch, which coincides with transfer of significant risks and rewards to customers and stated net of taxes and returns, as applicable. Revenue from exports is recognised when the significant risks and rewards of ownership of goods have been passed to customers.
- (ii) Income from services rendered is recognised on due dates of the relevant contracts and is exclusive of service tax, wherever recovered.

**(g) Taxation:**

- (i) Current tax is measured at the amounts expected to be paid to the Tax Authorities in accordance with the provisions of the Income Tax Act, 1961 prevailing for the relevant assessment year.

Minimum Alternate Tax ('MAT') credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

- (ii) Deferred tax charge or credit is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax charge or credit is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods in the Statement of Profit and Loss and the cumulative effect thereof is reflected in the Balance Sheet.

**(h) Cash flow statement:**

The cash flow statement is prepared by the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and balances with banks.

**(i) Foreign currency transactions:**

- (i) **Initial recognition:**  
Transactions for import/export of goods are recorded at a rate notified by the customs authorities for invoice purposes. Other foreign currency transactions are recorded in the reporting currency, by applying the foreign currency exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- (ii) **Conversion:**  
Monetary items are translated at the closing exchange rate as on the date of the Balance Sheet and non-monetary items are reported using the exchange rate that existed on the date of the transaction.
- (iii) **Exchange differences:**  
Exchange differences arising on settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year or reported in the previous financial statements are recognised as income or expenses in the year in which they arise and disclosed as a net amount in the financial statements.

**(j) Employee benefits:**

- (i) The present value of the obligation of gratuity is determined based on an actuarial valuation conducted by an independent actuary, using the projected unit credit method. Actuarial gains and losses on such valuation are recognised immediately in the Statement of Profit and Loss.
- (ii) The present value of the obligation of leave encashment is determined based on an actuarial valuation conducted by an independent actuary, using the projected unit credit method. Actuarial gains and losses on such valuation are recognised immediately in the Statement of Profit and Loss.

**(k) Earnings per share:**

The basic earnings per share is computed by dividing the net profit or loss attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for effects of all dilutive potential equity shares, except where the results are anti-dilutive. The number of shares and potentially dilutive equity shares are adjusted for share splits and bonus shares issued including for changes effected prior to the approval of the financial statements by the Board of Directors.

**(l) Provisions, contingent liabilities and contingent assets:**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the Notes to the Financial Statements. Contingent assets are neither recognised nor disclosed in the Financial Statements.

**2. Note on material regrouping:**

Effective 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 with effect 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 as at and for the quarter ended June 30, 2016, 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). Depreciation on fixed assets upto March 31, 2015 is calculated on written down value basis using the rates arrived at based on the rates prescribed under the Schedule XIV to the Companies Act 1956. The Company adopted Schedule II of Companies Act, 2013 from April 1, 2015 though it was applicable from April 1, 2014. During the year ended March 31, 2016, pursuant to adoption of Schedule II as mentioned above, management evaluated the estimates of useful lives of its fixed assets as per the requirements of Schedule II of the Companies Act, 2013 and depreciation has been provided in accordance with the useful life as specified in Schedule II of the Companies Act, 2013.

### 3. Provision for gratuity/leave encashment

During the quarter ended June 30, 2016 and year ended March 31, 2016 provision for gratuity/leave encashment was made on the basis of actuarial valuation in compliance of the Accounting Standard -15 issued by the Institute of Chartered Accountants of India, which was earlier not accounted as it was not applicable.

### Annexure 5: Statement of share capital, as restated

#### 5.1 Authorised/issued, subscribed and fully paid up:

Particulars	As at		As at		As at		As at		As at		As at	
	June 30, 2016		March 31, 2016		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012	
	No. in lakhs	(₹ in lakhs)	No. in lakhs	(₹ in lakhs)	No. in lakhs	(₹ in lakhs)	No. in lakhs	(₹ in lakhs)	No. in lakhs	(₹ in lakhs)	No. in lakhs	(₹ in lakhs)
<b>Authorised:</b>												
Equity shares of ₹10 each	15.00	150.00	15.00	150.00	15.00	150.00	15.00	150.00	10	100.00	10	100.00
<b>Issued, subscribed and fully paid up:</b>												
Equity shares of ₹10 each	12.43	124.27	11.65	116.52	9.48	94.84	9.48	94.84	3.07	30.70	0.28	2.80
<b>Total</b>	<b>12.43</b>	<b>124.27</b>	<b>11.65</b>	<b>116.52</b>	<b>9.48</b>	<b>94.84</b>	<b>9.48</b>	<b>94.84</b>	<b>3.07</b>	<b>30.70</b>	<b>0.28</b>	<b>2.80</b>

#### 5.2 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting years is set out below:

Particulars	As at		As at		As at		As at		As at		As at	
	June 30, 2016		March 31, 2016		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012	
	No. in lakhs	(₹ in lakhs)	No. in lakhs	(₹ in lakhs)	No. in lakhs	(₹ in lakhs)	No. in lakhs	(₹ in lakhs)	No. in lakhs	(₹ in lakhs)	No. in lakhs	(₹ in lakhs)
Outstanding at the beginning of the period/year	11.65	116.52	9.48	94.84	9.48	94.84	3.07	30.70	0.28	2.80	0.10	1.00
Add :Issue of equity shares for cash	0.77	7.75	1.41	14.08	-	-	6.41	64.14	2.79	27.90	0.18	1.80
Issue of equity shares for consideration other than cash	-	-	0.76	7.60	-	-	-	-	-	-	-	-
<b>Outstanding at the end of the period/year</b>	<b>12.42</b>	<b>124.27</b>	<b>11.65</b>	<b>116.52</b>	<b>9.48</b>	<b>94.84</b>	<b>9.48</b>	<b>94.84</b>	<b>3.07</b>	<b>30.70</b>	<b>0.28</b>	<b>2.80</b>

### 5.3 Terms/rights attached to equity shares

Each holder of equity shares is entitled to one vote per equity share. They are entitled to receive dividend proposed by the Board of Directors and approved by shareholders in General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### 5.4 Shareholders holding more than 5% of the paid up equity share capital of the Company:

Particulars	As at											
	June 30, 2016		March 31, 2016		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012	
	No. of shares held (in lakhs)	% of holding (%)	No. of shares held (in lakhs)	% of holding (%)	No. of shares held (in lakhs)	% of holding (%)	No. of shares held (in lakhs)	% of holding (%)	No. of shares held (in lakhs)	% of holding (%)	No. of shares held (in lakhs)	% of holding (%)
<b>Name of the shareholders</b>												
Dhiraj Kumar Sharma	1.85	14.89	1.85	18.57	2.95	31.11	2.95	31.11	1.00	32.57	0.07	25.00
Krishna Murari Singh	5.77	46.46	5.63	56.50	2.95	31.11	2.95	31.11	1.00	32.57	0.07	25.00
Sidhartha Xavier	1.85	14.89	1.85	18.57	2.95	31.09	2.95	31.09	1.00	32.57	0.07	25.00
Ajay Agrawal	-		0.07	0.70	0.07	0.74	0.07	0.74	0.07	2.29	0.07	25.00
Kreteka Investment Pvt Ltd	0.56	4.54	0.56	5.66	0.56	5.95	0.56	5.95	-	-	-	-
Aparna Binoy Purushotham	0.82	6.60	-	-	-	-	-	-	-	-	-	-
Binoy Purushotham	0.74	5.94	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>11.60</b>	<b>93.32</b>	<b>9.97</b>	<b>100</b>	<b>9.48</b>	<b>100</b>	<b>9.48</b>	<b>100</b>	<b>3.07</b>	<b>100</b>	<b>0.28</b>	<b>100</b>

### 5.5 Shares issued for consideration than cash, bonus shares issued and shares bought back:

- I. On December 30, 2015, the Company issued shares for consideration other than cash. Other than as mentioned, no shares have been issued for consideration other than cash in the period's reported.
- II. No bonus shares have been issued during the period's reported.
- III. No shares have been bought back during the period's reported.

5.6 Pursuant to resolution passed by the members of the Company at the Extraordinary General Meeting (EGM) held on September 11, 2013, the authorised capital of the Company has been increased from ₹100 divided into 10 equity shares of ₹10 each to ₹150, divided into 15 equity shares of ₹10 each.

### Annexure 6: Statement of reserves and surplus, as restated

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<b>Securities premium account</b>						
Balance at the beginning of the period/year	358.42	202.86	1	-	-	-
Add: Premium on issue of equity shares	100.75	155.56	-	202.86	-	-

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Balance at the end of the period/year	459.17	358.42	202.86	202.86	-	-
<b>Surplus in statement of profit and loss</b>						
Balance at the beginning of the period/year	226.53	164.10	79.27	29.54	(0.45)	(22.34)
Add: Profit for the period/year	20.91	62.43	84.83	49.73	29.99	21.89
Balance at the end of the period/year	247.44	226.53	164.10	79.27	29.54	(0.45)
<b>Total</b>	<b>706.61</b>	<b>584.95</b>	<b>366.96</b>	<b>282.13</b>	<b>29.54</b>	<b>(0.45)</b>

**Annexure 7: Share application money pending allotment**

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
From directors, relatives of directors and others	38.07	-	-	-	208.50	236.40
<b>Total</b>	<b>38.07</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>208.50</b>	<b>236.40</b>

**Annexure 8: Long term borrowings:**

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<b>Unsecured</b>						
From a Non Banking Finance Company (NBFC)	23.23	-	-	-	-	-
From banks	42.07	-	-	-	-	-
<b>Total</b>	<b>65.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure 9: Deferred tax liabilities (net):**

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<b>Deferred tax liability on account of:</b>						
- Difference in WDV between book and income tax records (A)	32.71	35.50	15.56	13.81	11.34	0.25
<b>Deferred tax (asset) on account of:</b>						
- Employee benefits/gratuity	(0.98)	(0.98)	-	-	-	-
Net deferred tax liability (A) - (B)	31.73	34.52	15.56	13.81	11.34	0.25
<b>Total</b>	<b>31.73</b>	<b>34.52</b>	<b>15.56</b>	<b>13.81</b>	<b>11.34</b>	<b>0.25</b>

## Annexure 10: Long-term provision, as restated:

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
For gratuity (unfunded)	2.31	1.88	1.28	1.61	1.42	3.06
For compensated absences (unfunded)	0.65	1.07	-	-	-	-
<b>Total</b>	<b>2.96</b>	<b>2.95</b>	<b>1.28</b>	<b>1.61</b>	<b>1.42</b>	<b>3.06</b>

## Annexure 11: Short term borrowings, as restated:

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<b>Secured</b>						
Loans repayable on demand: cash credit facility	274.14	341.14	338.13	249.83	97.24	-
<b>Unsecured</b>						
From related parties	-	16.74	16.74	16.14	11.20	9.69
Inter corporate deposits	-	17.50	17.50	17.50	-	-
<b>Total</b>	<b>274.14</b>	<b>375.38</b>	<b>372.37</b>	<b>283.47</b>	<b>108.44</b>	<b>9.69</b>

## Annexure 12: Trade payables, as restated:

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<b>Total outstanding dues of micro and small enterprises</b>	-	-	-	-	-	-
<b>Total outstanding dues of creditors other than micro and small enterprises:</b>						
- For goods etc.	158.78	344.84	54.32	49.58	125.84	85.89
- For fixed assets	0.63	0.50	-	-	-	-
<b>Total</b>	<b>159.41</b>	<b>345.34</b>	<b>54.32</b>	<b>49.58</b>	<b>125.84</b>	<b>85.89</b>

## Annexure 13: Other current liabilities, as restated:

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Current maturities of long term debt	49.20	12.83	-	-	-	-
Interest accrued but not due on borrowings	0.43	-	-	-	-	-
Application money received for allotment of securities and due	5.08	-	-	-	-	-

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
for refund						
Other payables:						
Security deposits	1.77	1.77	1.50	1.50	1.50	-
Advances from customers	19.44	17.99	44.88	19.24	13.13	8.74
Statutory dues (with holding taxes etc.)	15.92	46.34	9.45	3.31	33.19	16.63
Due to Directors	104.93	96.40	84.60	60.00	58.10	-
<b>Total</b>	<b>196.77</b>	<b>175.33</b>	<b>140.43</b>	<b>84.05</b>	<b>105.92</b>	<b>25.37</b>

## Annexure 14: Short term provisions, as restated:

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Provision for employee benefits						
For compensated absences - unfunded	0.22	0.35	-	-	-	-
	-					
Provision- Others						
Provision for tax (net of payments)	19.85	6.28	18.20	5.77	4.22	4.63
<b>Total</b>	<b>20.07</b>	<b>6.63</b>	<b>18.20</b>	<b>5.77</b>	<b>4.22</b>	<b>4.63</b>

## Annexure 15: Fixed assets, as restated:

(₹ in lakhs)

Sr No	Particulars	As at	As at	As at	As at	As at	As at
		June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<b>a</b>	<b>Tangible Assets</b>						
	Gross Block	48.60	37.27	31.63	31.63	31.15	29.10
	Less: Accumulated depreciation	29.94	28.21	25.59	18.26	12.87	6.12
	<b>Net Block</b>	<b>18.66</b>	<b>9.06</b>	<b>6.04</b>	<b>13.37</b>	<b>18.28</b>	<b>22.98</b>
<b>b</b>	<b>Intangible Assets</b>						
	Gross Block	445.32	445.32	445.32	318.48	161.79	-
	Less: Accumulated amortisation	286.30	268.64	150.84	103.61	64.54	-
	<b>Net Block</b>	<b>159.02</b>	<b>176.68</b>	<b>294.48</b>	<b>214.87</b>	<b>97.25</b>	<b>-</b>
	<b>Total</b>	<b>177.68</b>	<b>185.74</b>	<b>300.52</b>	<b>228.24</b>	<b>115.53</b>	<b>22.98</b>

## Annexure 16: Long term loans and advances, as restated:

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<b>Unsecured, considered good</b>						
Sundry deposits	5.65	3.56	4.27	11.16	12.25	2.56
MAT credit entitlement	-	-	35.24	17.71	-	-
<b>Total</b>	<b>5.65</b>	<b>3.56</b>	<b>39.51</b>	<b>28.87</b>	<b>12.25</b>	<b>2.56</b>

## Annexure 17: Inventories, as restated:

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Stock in trade	622.22	676.88	70.43	369.92	418.36	272.61
Less: Capitalised during the year	-	-	-	-	161.79	-
<b>Total</b>	<b>622.22</b>	<b>676.88</b>	<b>70.43</b>	<b>369.92</b>	<b>256.57</b>	<b>272.61</b>

## Annexure 18: Trade receivables, as restated:

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
(Unsecured, considered good)						
Outstanding for a period exceeding six months	252.48	-	-	-	4.85	-
Others	503.19	757.71	471.54	175.43	231.66	54.97
<b>Total</b>	<b>755.67</b>	<b>757.71</b>	<b>471.54</b>	<b>175.43</b>	<b>236.51</b>	<b>54.97</b>

## Annexure 19: Cash and cash equivalents, as restated:

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Balances with banks:						
- in current accounts	7.27	1.70	0.02	0.21	0.14	1.37
- in fixed deposit	0.26	-	-	-	-	-
Cheque on hand	4.00	-	-	-	-	-
Cash on hand	1.51	3.59	3.54	10.40	2.67	1.12
<b>Total</b>	<b>13.04</b>	<b>5.28</b>	<b>3.57</b>	<b>10.61</b>	<b>2.82</b>	<b>2.49</b>

**Annexure 20: Short term loans and advances, as restated:**

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	30-Jun-16	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
<b>Unsecured, considered good</b>						
Loans to employees	19.32	12.44	2.4	2.19	0.85	7.84
Advances to suppliers	25	-	176	-	-	3.03
Prepaid expenses	0.75	-	-	-	0.37	-
<b>Total</b>	<b>45.07</b>	<b>12.44</b>	<b>178.4</b>	<b>2.19</b>	<b>1.22</b>	<b>10.87</b>

**Annexure 21: Other current assets, as restated:**

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Unamortised expenses	-	-	-	-	1.03	1.16
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.03</b>	<b>1.16</b>

**Annexure 22: Revenue from operations, as restated:**

(₹ in lakhs)

Particulars	For the quarter ended	For the year	For the year	For the year	For the year	For the year
	June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
Sale of products	254.64	1,312.99	1,025.09	576.13	374.06	52.99
Sales of services- AMC	107.37	20.96	16.39	39.53	32.50	28.79
Professional fees	16.65	64.27	38.29	-	-	-
<b>Total</b>	<b>378.66</b>	<b>1,398.22</b>	<b>1,079.77</b>	<b>615.66</b>	<b>406.56</b>	<b>81.78</b>

**Annexure 23: Other income, as restated:**

(₹ in lakhs)

Particulars	For the quarter ended	For the year				
	June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
Excess provision for gratuity written back	-	-	0.33	-	1.64	-
Miscellaneous receipts	-	-	-	-	0.43	-
Interest income	-	-	-	-	-	0.88
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.33</b>	<b>-</b>	<b>2.07</b>	<b>0.88</b>

## Annexure 24: Changes in inventory of stock-in-trade, as restated:

(₹ in lakhs)

Particulars	For the quarter ended	For the year	For the year	For the year	For the year	For the year
	June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
Closing inventories						
Stock in trade	622.22	676.88	70.44	131.91	13.89	-
Opening inventories						
Stock in trade	676.88	70.44	131.91	13.89	-	-
<b>Total</b>	<b>54.66</b>	<b>(606.44)</b>	<b>61.47</b>	<b>(118.02)</b>	<b>(13.89)</b>	<b>-</b>

## Annexure 25: Employee benefits expense, as restated:

(₹ in lakhs)

Particulars	For the quarter ended	For the year	For the year	For the year	For the year	For the year
	June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
Salaries and bonus	76.27	160.27	87.69	120.77	49.34	14.04
Gratuity	0.42	1.89	-	0.19	-	3.06
Employees welfare	0.59	0.95	1.70	0.44	0.15	0.28
<b>Total</b>	<b>77.28</b>	<b>163.11</b>	<b>89.39</b>	<b>121.40</b>	<b>49.49</b>	<b>17.38</b>

## Annexure 26: Finance costs, as restated:

(₹ in lakhs)

Particulars	For the quarter ended	For the year				
	June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
Interest expense	10.01	43.82	34.48	15.68	1.89	0.58
Other borrowing costs	2.06	3.86	2.78	3.87	-	0.45
<b>Total</b>	<b>12.07</b>	<b>47.68</b>	<b>37.26</b>	<b>19.55</b>	<b>1.89</b>	<b>1.03</b>

## Annexure 27: Depreciation &amp; amortisation expenses, as restated:

(₹ in lakhs)

Particulars	For the quarter ended	For the year	For the year	For the year	For the year	For the year
	June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
Depreciation	1.73	2.61	7.33	5.39	6.74	6.03
Amortisation	17.67	117.79	47.23	39.07	64.54	-
<b>Total</b>	<b>19.40</b>	<b>120.40</b>	<b>54.56</b>	<b>44.46</b>	<b>71.28</b>	<b>6.03</b>

**Annexure 28: Other expenses, as restated:**

(₹ in lakhs)

Particulars	For the quarter ended	For the year	For the year	For the year	For the year	For the year
	June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
Rent	4.37	14.22	23.46	20.67	5.82	1.38
Loss/(gain) on foreign currency transactions (net)	0.01	3.99	(0.33)	(0.74)	(0.41)	0.07
Payments to auditor as :						
a auditor	0.75	1.50	0.20	0.20	0.10	0.30
b for taxation matters/tax audit	-	0.24	0.10	0.10	-	-
Miscellaneous expenses	10.82	34.51	82.81	33.72	15.20	9.97
Repairs - Others	3.47	1.51	-	-	0.51	0.11
Travelling and conveyance	0.87	17.49	13.01	3.43	7.98	0.07
Bank charges	0.09	3.34	1.65	-	-	-
Professional fees	6.42	47.37	48.22	15.06	0.31	0.96
Insurance	0.25	-	-	-	-	-
Rates & taxes	0.06	0.07	-	-	-	-
Business promotion	9.29	4.12	9.76	0.84	-	-
Equity shares issued in lieu of professional fees	-	37.24	-	-	-	-
Miscellaneous expenditure written off	-	-	-	1.03	0.13	0.39
Bad debts written off	-	-	-	-	2.40	-
<b>Total</b>	<b>36.40</b>	<b>165.60</b>	<b>178.88</b>	<b>74.31</b>	<b>32.04</b>	<b>13.25</b>

**Annexure 29: Statement of tax shelter, as restated:**

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Tax rate -Normal (including surcharge and cess , where applicable) (%)	30.90	30.90	30.90	30.90	30.90	30.90
Tax rate -MAT (including surcharge and cess , where applicable) (%)	19.055	19.055	19.055	19.055	19.055	19.055
<b>Profit before tax, as restated (A)(₹ in lakhs)</b>	<b>33.20</b>	<b>116.89</b>	<b>87.68</b>	<b>52.20</b>	<b>47.56</b>	<b>27.75</b>
Tax at notional rate	10.26	36.12	27.09	16.13	14.70	8.58
Adjustments on account of :						
Permanent Differences (B)	-	-	-	-	-	-
<b>Total Permanent differences (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<b>Timing differences (C)</b>						
Difference between tax depreciation and book depreciation	13.02	(84.27)	(83.78)	(53.42)	(25.12)	(12.25)
Preliminary expenditure	-	-	-	1.03	0.13	0.39
Provision for gratuity & leave encashment disallowed	(0.13)	2.02	(0.33)	0.19	(1.64)	3.06
<b>Total Timing Differences (C)</b>	<b>12.89</b>	<b>(82.25)</b>	<b>(84.11)</b>	<b>(52.20)</b>	<b>(26.63)</b>	<b>(8.80)</b>
<b>Net adjustments (D)= (B+C)</b>	<b>12.89</b>	<b>(82.25)</b>	<b>(84.11)</b>	<b>(52.20)</b>	<b>(26.63)</b>	<b>(8.80)</b>
Tax expenses/(savings) thereon	3.98	(25.42)	(25.99)	(16.13)	(8.23)	(2.72)
Total tax charged as per books of account, as restated	14.24	10.70	1.10	0.00	6.47	5.86
Excess provision of earlier years written back (net)	0.84	(10.82)	-	-	-	-
Tax as per audited financial statements	15.08	0.28	1.10	-	6.47	5.86

**Annexure 30: Statement of Capitalisation, as restated:**

(₹ in lakhs)

Sr no.	Particulars	Pre Issue	Post Issue
	<b>Debts</b>		
<b>A</b>	<b>Long term debt</b>	<b>114.50</b>	<b>114.50</b>
<b>B</b>	<b>Short term debt</b>	<b>274.14</b>	<b>274.14</b>
<b>C</b>	<b>Total debt</b>	<b>388.64</b>	<b>388.64</b>
	Equity shareholders funds		
	Equity share capital	124.27	1,145.66
	Reserves and surplus	706.61	2,500.96
<b>D</b>	<b>Total equity</b>	<b>830.87</b>	<b>3,646.62</b>
<b>E</b>	<b>Total capitalisation</b>	<b>1,219.51</b>	<b>4,035.26</b>
	<b>Long term debt/equity ratio (A/D)</b>	<b>0.14</b>	<b>0.03</b>
	<b>Total debt equity ratio (C/D)</b>	<b>0.47</b>	<b>0.11</b>

**Notes:**

- The Company has issued:
  - 27,194 shares at a premium of ₹130 per share by way of a rights issue in the ratio of 1:10 on July 1, 2016.
  - 6,984,280 bonus shares in the ratio of 11:2 by capitalising free reserves on July 4, 2016.
  - 168,452 shares at a premium of ₹55.30 per share on private placement basis on November 3, 2016.
- Reserves and surplus (post issue) does not include changes in balance in statement in profit and loss of the interim period.

**Annexure 31: Earnings per share, as restated:**

(₹ in lakhs)

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
	Nos.	Nos.	Nos.	Nos.	Nos.	Nos.
<b>Number of shares at the beginning of the year</b>	1,165,176	948,400	948,400	307,000	28,000	10,000

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Number of shares at the end of the year	1,242,675	1,165,176	948,400	948,400	307,000	28,000
Weighted average number of equity shares for calculating EPS (A)	1,171,970	989,830	948,400	826,639	197,693	10,521
	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)
Net profit after tax available for equity shareholders (B)	20.91	62.43	84.83	49.73	29.99	21.89
	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
Earning Per Share (B/A)	1.78	6.31	8.94	6.02	15.17	208.10

**Note :**

Shares issued subsequent to June 30, 2016 have not been considered for calculating diluted earnings per share.

**Annexure 32: Statement of Related Party Transactions, as restated:**

## 1. List of related parties and relationships:

Sl. No.	Name of the party	Relationship
1	Dhirajkumar P. Sharma (Director) (upto September 15, 2016)	Key Managerial Personnel (KMP) represented on the Board
2	Krishna M. Singh (Director)	
3	Siddhartha S. Xavier (Director) (upto September 15, 2016)	
4	Ajay R. Agrawal (Director)(upto October 1, 2011)	
5	Nirani Venkitakrishnan Kailasam (effective April 11, 2016) CEO and Director	
6	Swati K. Arora (effective May 31, 2016)-Company Secretary	Key Managerial Personnel (KMP)
7	Sudhirkumar P. Sharma (brother of Dhirajkumar Sharma)	Relatives of KMP's
8	Sodagudi F. Xavier (father of Siddhartha Xavier)	
9	Varsha D. Sharma (wife of Dhirajkumar Sharma)	
10	Uma N. Venkit (wife of Nirani Venkitakrishnan Kailasam)	
11	Shreedevi S. Xavier (mother of Siddhartha Xavier)	

## 2. Transactions during the period/year:

(₹ in lakhs)

Particulars	Name of the party	Nature of relationship	For the quarter ended June 30, 2016	For the year 2015-16	For the year 2014-15	For the year 2013-14	For the year 2012-13	For the year 2011-12
<b>Revenue transactions</b>								
Salaries	Krishna M. Singh	KMP	12.00	13.33	10.00	20.00	20.00	-
	Dhirajkumar P. Sharma	KMP	-	6.00	5.00	20.00	20.00	-
	Siddhartha S. Xavier	KMP	-	6.00	5.00	20.00	20.00	-
	Nirani Venkitakrishnan Kailasam	KMP	7.50	-	-	-	-	-
	Swati K. Arora	KMP	0.25					

Particulars	Name of the party	Nature of relationship	For the quarter ended June 30, 2016	For the year 2015-16	For the year 2014-15	For the year 2013-14	For the year 2012-13	For the year 2011-12
				-	-	-	-	-
<b>Capital transactions</b>								
Short term borrowings taken/share application money received	Krishna M. Singh	KMP	10.07	-	-	-	-	-
	Dhirajkumar P. Sharma	KMP	-	-	-	2.95	-	-
	Siddharta S. Xavier	KMP	-	-	-	-	1.50	0.82
	Sodagudi F. Xavier	Relative of a KMP	-	-	-	-	-	1.22
	Uma N. Venkit	Relative of a KMP	4.00	-	-	-	-	-
	Shreedevi S. Xavier	Relative of a KMP	-	-	-	-	-	2.34
	Varsha D. Sharma	Relative of a KMP	-	-	-	-	-	5.31
	Sudhirkumar P. Sharma	Relative of a KMP	-	-	3.55	2.00	-	-
<b>Short term borrowings repaid</b>	Krishna M. Singh	KMP	5.00	-	-	-	-	-
	Dhirajkumar P. Sharma	KMP	-	-	2.95	-	-	-
	Siddharta S. Xavier	KMP	2.32	-	-	-	-	-
	Shreedevi Xavier	Relative of a KMP	2.34	-	-	-	-	-
	Sodagudi F. Xavier	Relative of a KMP	1.22	-	-	-	-	-
	Sudhirkumar P. Sharma	Relative of a KMP	5.55	-	-	-	-	-
	Varsha D. Sharma	Relative of a KMP	5.31	-	-	-	-	-
	Uma N. Venkit	Relative of a KMP	4.00	-	-	-	-	-

## 3. Outstanding balance at the end of the year:

(₹in lakhs)

Particulars	Name of the party	Nature of relationship	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	As at March 31, 2012
<b>Equity and liabilities</b>								
Short term borrowings	Sidhartha S. Xavier	KMP	-	2.32	2.32	2.32	2.32	0.82
	Dhirajkumar P. Sharma	KMP	-	-	-	2.95	-	-
	Sodagudi F. Xavier	Relative of a KMP	-	1.22	1.22	1.22	1.22	1.22
	Varsha Sharma	Relative of a KMP	-	5.31	5.31	5.31	5.31	5.31
	Shreedevi S. Xavier	Relative of a KMP	-	2.34	2.34	2.34	2.34	2.34
	Sudhirkumar P. Sharma	Relative of a KMP	-	5.55	5.55	2.00	-	-
Other current liabilities	Krishna M. Singh	KMP	36.56	29.20	28.20	20.00	-	-
	Dhirajkumar P. Sharma	KMP	33.60	33.60	28.20	20.00	-	-
	Sidhartha S. Xavier	KMP	33.60	33.60	28.20	20.00	-	-
	Nirani Venkitakrishnan Kailasam	KMP	6.00	-	-	-	-	-
	Swati K. Arora	KMP	0.25	-	-	-	-	-

**Annexure 33: Statement of financial indebtedness outstanding as at June 30, 2016, as restated:**

## (A) Details of secured loans:

Lender	Credit facilities	Sanctioned amount (₹ in lacs)	Disbursed amount	Primary security	Collateral security	Balance as at June 30, 2016 (₹ in lacs)	Interest rate
State Bank Of India	Cash credit (cc) within letter of credit, buyers credit within letter of credit : (within CC ). forward contract - notional exposure (within Cc )	500.00	350.00	Hypothecation of servers, Pcs, tablets or any such Items lying in the premises, in transit or elsewhere, book debts and other receivables.	Collateral security: Flat No. 1001, Grow More Towers, Kharghar, Panvel - 410210 and E-701, Panchavati Plaza Sector- 5 Ghansoli , Navi Mumbai - 400701 belonging to the directors of the Company and also personal guarantee of directors viz. Krishna Murari Singh, Dhiraj Sharma and Siddhartha Xavier jointly aggregating to ₹500.	274.14	12.70%

## (B) Details of unsecured loans:

- Loans from related parties/inter corporate deposits are repayable on demand and are interest free.
- Loan from a Non Banking Finance Company (NBFC) is repayable by February 2017 and carries an interest rate of 19.25% per annum.

## (C) Details of long term borrowings:

- Loan from an NBFC  
The loan is repayable in twenty four months and carries an interest rate of 16% per annum.
- Loans from banks  
Loans are repayable in twenty four to thirty six months and carries an interest rate ranging from 15%- 17.20% per annum.

**Annexure 34: Statement of accounting ratios, as restated:**

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Restated PAT as per statement of profit and loss (₹ in lakhs)	20.91	62.43	84.83	49.73	29.99	21.89
Number of equity shares at the end of the year (nos.)	1,242,675	1,165,176	948,400	948,400	307,000	28,000
Weighted average number of equity shares at the end of the year (nos.)	1,171,970	989,830	948,400	826,639	197,693	10,521

Net worth (₹ in lakhs)	830.88	701.47	461.80	376.97	59.21	1.19
Earnings per share-Basic and diluted (₹)	1.78	6.31	8.94	6.02	15.17	208.10
Return on net worth (%)	2.52%	8.90%	18.37%	13.19%	50.65%	1835.49%
Net asset value per share (₹)	66.86	60.20	48.69	39.75	19.29	4.26
Nominal value per equity share(₹)	10	10	10	10	10	10

**Notes:**

- Earning Per Share :- 
$$\frac{\text{Net Profit after tax attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$
- Return on Net Worth (%) :- 
$$\frac{\text{Net Profit after tax}}{\text{Net worth at the end of the year}}$$
- Net Asset per value share :- 
$$\frac{\text{Net Worth}}{\text{Total number of equity shares outstanding at the end of the year}}$$
- Net Worth :- **Equity share capital plus reserves and surplus less misc.expenditure to the extent not written off or adjusted, if any.**

**Annexure 35: Other Notes to Restated Financial Statements****Summary statement of employee benefits**

Disclosure under Accounting Standard 15 (to the extent applicable)

**Description of the Company's defined benefit plan:**

The Company operates a defined benefit plan for payment of post-employment benefits in the form of gratuity. Benefits under the plan are based on pay and years of service and vested on completion of five years of service, as provided in the Payment of Gratuity Act, 1972. The terms of benefits are common for all the employees of the Company.

**Principal actuarial assumptions used as at the balance sheet date:**

Particulars	As at					
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Discount rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Salary escalation rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Attrition rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Expected return on plan assets	NA	NA	NA	NA	NA	NA

**Reconciliation in respect of the changes in the present value of obligations:**

Particulars	(₹ in lakhs)					
	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Present value of obligation (opening)	1.89	1.28	1.61	1.42	3.06	Nil
<b>Add:</b>						
Current service cost	0.43	1.32	0.65	0.81	1.02	3.42
Interest cost	0.04	0.10	0.13	0.11	0.24	Nil
Acturial (gains)/ losses on obligation	(0.05)	(0.81)	(1.11)	(0.73)	(2.91)	(0.36)
Benefits paid	Nil	Nil	Nil	Nil	Nil	Nil
Present value of obligations (closing)	2.31	1.89	1.28	1.61	1.42	3.06

**Reconciliation in respect of the changes in the fair value of assets:**

Particulars	(₹ in lakhs)					
	As at					
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Fair value of plan assets (opening)	NA	NA	NA	NA	NA	NA
<b>Add:</b>						
Expected rate of return	NA	NA	NA	NA	NA	NA
Acturial gains/ (losses)	NA	NA	NA	NA	NA	NA
Contributions by employer	Nil	Nil	Nil	Nil	Nil	Nil

Particulars	As at					
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Benefits paid	Nil	Nil	Nil	Nil	Nil	Nil
Fair value of plan assets (closing)	NA	NA	NA	NA	NA	NA

**Amounts recognised in the Balance Sheet:**

(₹ in lakhs)

Particulars	As at					
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Present value of the obligation	2.31	1.89	1.28	1.61	1.42	3.06
Fair value of plan assets	NA	NA	NA	NA	NA	NA
Liability/(asset)	2.31	1.89	1.28	1.61	1.42	3.06
Unrecognised past service cost	Nil	Nil	Nil	Nil	Nil	Nil
Liability/(asset) in the Balance Sheet	2.31	1.89	1.28	1.61	1.42	3.06

**The total expenditure recognised in the statement of profit and loss:**

(₹ in lakhs)

Particulars	As at					
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Current service cost	0.43	1.32	0.65	0.81	1.02	3.42
Interest cost	0.04	0.10	0.13	0.11	0.24	Nil
Expected return on plan assets	Nil	Nil	Nil	Nil	Nil	Nil
Net actuarial (gains)/losses	(0.05)	(0.81)	(1.11)	(0.73)	(2.91)	(0.36)
Amount to be recognised in the statement of profit and loss	0.42	0.61	(0.33)	0.19	(1.64)	3.06

**Disclosure requirement pursuant to para 120(n) of AS-15 (to the extent available):**

(₹ in lakhs)

Particulars	As at					
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Present value of the defined value obligation	2.31	1.89	1.28	1.61	1.42	3.06
Fair value of plan assets	NA	NA	NA	NA	NA	NA
Deficit/(surplus) in plan assets	NA	NA	NA	NA	NA	NA
Experience adjustments on plan liabilities	(0.05)	(0.81)	(1.11)	(0.73)	(2.91)	(0.36)
Experience adjustments on plan assets	NA	NA	NA	NA	NA	NA

## 2 Restated Summary Statement of Segment Reporting:

### Business Segment

The Company has considered business segment as the primary segment for disclosure. The Company is primarily engaged in the business of providing technology enabled business enhancement solutions which in the context of Accounting Standard 17 "Segment Reporting" is considered the only business segment.

### Geographical Segment

The above activities of the Company are significantly within India where the conditions prevailing are uniform. Accordingly, separate geographical segment disclosure is not considered necessary.

3 There were no contingent liabilities and also no capital commitments as at the respective balance sheet dates.

## 4 Disclosure under the Micro ,Small and Medium Enterprises Development Act, 2006 :

Amounts due to Micro and Small Enterprises are disclosed on the basis of and to the extent of information available with the Company regarding status of the suppliers, which are as follows :

Particulars	As at	As at	As at	As at	As at	As at
	June 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
The principal amount and the interest due thereon remaining unpaid to any supplier.	-	-	-	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.	-	-	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-	-	-
The amount of interest accrued and remaining unpaid; and	-	-	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-	-	-

## 5 Note on material adjustments relating to statement of profit and loss :

The summary of results of restatement made to the audited financial statements for the respective years and its impact on the results of the Company is as follows:

(₹ in lakhs)

Particulars	For the quarter ended	For the year				
	June 30, 2016	2015-16	2014-15	2013-14	2012-13	2011-12
Net profit before tax as per audited financial statements	33.20	113.10	91.14	52.39	45.92	30.81
(Less): Provision for gratuity	-	-	-	(0.19)	-	(3.06)
Depreciation	-	-	(3.79)	-	-	-
Add: Excess provision for gratuity written back	-	-	0.33	-	1.64	-
Depreciation of previous year now reversed	-	3.79	-	-	-	-
<b>Net profit before tax as per restated financial statements</b>	<b>33.20</b>	<b>116.89</b>	<b>87.68</b>	<b>52.20</b>	<b>47.56</b>	<b>27.75</b>

Note: The impact of deferred tax asset/liability on gratuity/depreciation for all the reported financial years is not considered as the amount is not material.

6 Figures have been rounded off to the nearest lakhs.

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

*The following discussion of our financial information condition and results of operations should be read in conjunction with our restated financial statements for the financial period ended June 2016 and for the financial years ended March 2016, 2015, 2014, 2013 and 2012 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "Financial Statements" beginning on page 114 of this Draft Prospectus.*

*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 under section titled "Risk Factors"; and "Forward Looking Statements" beginning on pages 15; and 14 respectively of this Draft Prospectus.*

### BUSINESS OVERVIEW

Our Company is an Information and Communication Technology (ICT) company providing integrated software product platforms and solutions to enable large and medium enterprises embrace mobility & digital technology for their business enhancement. Our Company provides domain specific mobility & digital technology products by leveraging contemporary web, mobile technology, big data, analytics & custom hardware to deliver customizable and configurable solutions to different industry verticals. Our Company launched its flagship product for pharmaceutical industry in the year 2011.

Our core technology platform has been constantly evolving and now includes industry solutions in Banking, Financial Services, Insurance and Education. We believe that our Company has a considerable client list, which includes some of the reputed pharma companies, banking conglomerates & large education groups.

Our cloud hosted software solutions is structured in three (3) layers:

1. Core technology platform as the base layer, which includes complete mobility technology framework for enterprise with mobility security layer.
2. The middle layer on top of the mobility management suite, we have built the vertical specific lines of business apps including solutions that primarily address CRM, Sales force management, closed loop marketing tool, content management, learning management & channel management and developed as a native client on all three mobile operating systems like *Android, Windows & iOS*.
3. The top layer is the analytical layer developed using high end logarithms & big data that enables creating dash boards, real-time analytics, predictive and prescriptive analytics.

The enterprise solutions have been developed by our software professionals after understanding the nuances of the various industries and their specific requirements. The platform developed can be directly implemented by any company intending to implement Enterprise Mobility solutions. One of our key offerings for the pharmaceutical industry is "GloDIGITALL", which is a consultation driven end to end mobility solution. It comes as an integrated solution that includes device, technology, content framework and managed services for seamless and rapid deployment. Further, our enterprise mobility solutions can be integrated with the back-end systems of our clients leading to a hassle free migration of the existing systems of the client at no extra costs vis-à-vis platform and operating systems. Similarly, for the education space we offer "GloRE" (*a unique education solution*).

### Vertical specific Technology Solutions:

#### Pharma Domain:

- i. GloDIGITALL
- ii. MedsApp
- iii. GloCONSULT
- iv. GloKIOSK
- v. GloDNH (*Small-size Healthcare Technology Management Solution*)

#### BFSI Domain:

- i. GloFIN
- ii. GloKIOSK - Speed banking

## Education Domain:

- i. GloKIOSK - Student Engagement Framework
- ii. GloRE

Apart from the software product platforms, our Company has designed and built enterprise specific tablet PCs/computing device brands with different form factors. These devices are offered when a client requires completely locked down devices with high end security. We provide the entire mobility management suite integrated at the Kernel layer of these devices.

Our Company has established strategic alliances with few of the leading software companies (Named OEM partner). To help establish PAN India reach and market coverage, our company has established channel relationship with AirTel to primarily sell the solutions into large enterprises.

Our revenues from continuing operations increased by a CAGR of 103% from ₹82 Lakhs in Financial Year 2011-2012 to ₹1,398 Lakhs in Financial Year 2015-2016. Our EBDITA has increased by a CAGR of 66%, from ₹34 Lakhs in Financial Year 2011-2012 to ₹284 Lakhs in Financial Year 2015-2016.

## SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subject to various risks and uncertainties including those discussed in the section titled "Risk Factors" beginning on page 15 of this Draft Prospectus.

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

- General economic and business environment
- Increasing competition in Information and Communication Technology and Software services industry
- Changes in the reforms and regulations applicable to the various industries to which our company caters
- Availability of substitute products and services

## SIGNIFICANT ACCOUNTING INFORMATION

### 1. Basis of preparation of financial statements:

The Restated Summary Statements of Assets and Liabilities of the Company as at June 30, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement as at June 30, 2016, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012, (herein collectively referred to as "Restated Summary Statements") have been compiled by management from the financial statements of the Company for the quarter ended June 30, 2016 and years ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, and March 31, 2012.

The Restated Summary Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable, and the relevant provisions of the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India. The Restated Summary Statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used for the purpose of preparation of financial statements for the quarter ended June 30, 2016 and years ended on March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012.

Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with its proposed Initial Public Offering.

Restated Summary Statements of assets and liabilities, profits and losses and cash flows have been prepared to comply in all material respects with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-Section (1) of Section 26 of Chapter III of the Companies Act, 2013 read with rules 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26, 2009 as amended from time to time.

## 2. Use of estimates

The preparation of the financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting periods. These estimates are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates.

## 3. Fixed assets:

- (i) Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.
- (ii) Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful life. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the Management. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

## 4. Depreciation, amortization and impairment:

- (i) Depreciation-tangibles –

Depreciation on fixed assets is provided on written down value method in accordance with the provisions of the Act in the manner and at the rates specified in Schedule II to the Act. Depreciation on additions/deductions is calculated pro rata from/to the number of days of additions/deductions.

- a) Useful lives/ depreciation rates

Considering the applicability of Schedule II, the Management has re-estimated useful lives and residual values of all its fixed assets. Depreciation on all the assets have been provided at the rates and in the manner prescribed in Schedule II to the Act on written down value method. The Management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets. This change in the manner of charging depreciation does not have any material impact on financial statements of the Company.

Depreciation on additions/deductions is calculated pro rata from/to the number of days of additions/deductions. In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets over its remaining useful life

- b) Depreciation on assets costing less than ₹5,000

Individual assets costing less than ₹5,000 are depreciated in full in the year of acquisition.

- (ii) Amortization-intangibles:

Intangible assets are initially measured at cost and amortized so as to reflect the pattern in which the asset's economic benefits are consumed. Computer software is amortized on @40% on written down value method.

- (iii) Impairment of assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired: (a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

## **5. Inventories:**

Inventories are valued as follows: Items of inventories are valued at lower of cost, computed on First In First Out basis and net realizable value. Such costs include material cost and other costs incurred in bringing the goods to their present location and condition. Goods in transit are valued at cost, which represents the costs incurred up to the stage at which the goods are in transit.

## **6. Revenue recognition:**

- (i) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and it can be reliably measured.
- (ii) Revenue from domestic sales is recognized on dispatch, which coincides with transfer of significant risks and rewards to customers and stated net of taxes and returns, as applicable. Revenue from exports is recognized when the significant risks and rewards of ownership of goods have been passed to customers.
- (iii) Income from services rendered is recognized on due dates of the relevant contracts and is exclusive of service tax, wherever recovered.

## **7. Taxation:**

- (i) Current tax is measured at the amounts expected to be paid to the Tax Authorities in accordance with the provisions of the Income Tax Act, 1961 prevailing for the relevant assessment year.
- (ii) Minimum Alternate Tax ('MAT') credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.
- (iii) Deferred tax charge or credit is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax charge or credit is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods in the Statement of Profit and Loss and the cumulative effect thereof is reflected in the Balance Sheet.

## **8. Cash flow statement:**

The cash flow statement is prepared by the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and balances with banks.

## **9. Foreign currency transactions:**

- (i) Initial recognition: Transactions for import/export of goods are recorded at a rate notified by the customs authorities for invoice purposes. Other foreign currency transactions are recorded in the reporting currency, by applying the foreign currency exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- (ii) Conversion: Monetary items are translated at the closing exchange rate as on the date of the Balance Sheet and non-monetary items are reported using the exchange rate that existed on the date of the transaction.

- (iii) Exchange differences: Exchange differences arising on settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year or reported in the previous financial statements are recognized as income or expenses in the year in which they arise and disclosed as a net amount in the financial statements.

#### **10. Employee benefits:**

- (i) The present value of the obligation of gratuity is determined based on an actuarial valuation conducted by an independent actuary, using the projected unit credit method. Actuarial gains and losses on such valuation are recognized immediately in the Statement of Profit and Loss.
- (ii) The present value of the obligation of leave encashment is determined based on an actuarial valuation conducted by an independent actuary, using the projected unit credit method. Actuarial gains and losses on such valuation are recognized immediately in the Statement of Profit and Loss.

#### **11. Earnings per share:**

The basic earnings per share is computed by dividing the net profit or loss attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for effects of all dilutive potential equity shares, except where the results are anti-dilutive. The number of shares and potentially dilutive equity shares are adjusted for share splits and bonus shares issued including for changes effected prior to the approval of the financial statements by the Board of Directors.

#### **12. Provisions, contingent liabilities and contingent assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes to the Financial Statements. Contingent assets are neither recognized nor disclosed in the Financial Statements.

### **NOTES ON MATERIAL REGROUPING**

Effective 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 with effect 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 as at and for the quarter ended June 30, 2016, 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). Depreciation on fixed assets is calculated on written down value using the rates arrived at based on the rates prescribed under the Schedule XIV to the Companies Act 1956, up to March 31, 2015. The Company adopted the Schedule II of Companies Act, 2013 from April 1, 2015 though it was applicable from April 1, 2014. During the year ended March 31, 2016, pursuant to adoption of Schedule II as mentioned above, management evaluated the estimates of useful lives of its fixed assets as per the requirements of Schedule II of the Companies Act, 2013 and depreciation has been provided in accordance with the useful life as specified in Schedule II of the Companies Act, 2013.

### **PROVISION FOR GRATUITY/LEAVE ENCASHMENT**

During the quarter ended June 30, 2016 and year ended March 31, 2016 provision for gratuity/leave encashment was made on the basis of actuarial valuation in compliance of the Accounting Standard -15 issued by the Institute of Chartered Accountants of India, which was earlier not accounted as it was not applicable.

## SIGNIFICANT DEVELOPMENTS AFTER JUNE 30, 2016 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstances 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 except as follows:

- On July 01, 2016, the company made a right issue of 27,194 (Twenty Seven Thousand One Hundred and Ninety Four) Equity shares of ₹10 (Rupees Ten Only) each, as a result of which Paid-up Share Capital of the Company was increased from ₹1,24,26,750 (Rupees One Crore Twenty Four Lacs Twenty Six Thousand Seven Hundred and Fifty Only) divided into 12,42,675 (Twelve Lacs Forty Two Thousand Six Hundred and Seventy Five) Equity Shares of ₹10 (Rupees Ten Only) each to ₹1,26,98,690/- (Rupees One Crore Twenty Six Lacs Ninety Eight Thousand Six Hundred and Ninety Only) divided into 12,69,869 (Twelve Lacs Sixty Nine Thousand Eight Hundred and Sixty Nine) Equity Shares of ₹10 (Rupees Ten Only) each.
- The Company allotted 69,84,280 (Sixty Nine Lacs Eighty Four Thousand Two Hundred and Eighty) Equity Shares of ₹10 each as fully paid bonus shares to the existing shareholders in the ratio of 11:2 as on Record Date. July 4<sup>th</sup> 2016. As a result of which Paid-up Share Capital of the Company was increased from ₹1,26,98,690/- (Rupees One Crore Twenty Six Lacs Ninety Eight Thousand Six Hundred and Ninety Only) divided into 12,69,869 (Twelve Lacs Sixty Nine Thousand Eight Hundred and Sixty Nine) Equity Shares of ₹10 (Rupees Ten Only) each to ₹8,25,41,490/- (Rupees Eight Crore Twenty Five Lacs Forty One Thousand Four Hundred and Ninety Only) divided into 82,54,149 (Eight Two Lacs Fifty Four Thousand One Hundred and Forty Nine) Equity Shares of ₹10 (Rupees Ten Only) each.
- On November 03, 2016, the company made a private placement of 1,68,452 (One Lac Sixty Eight Thousand Four Hundred and Fifty Two ) Equity shares of ₹10 (Rupees Ten Only) each issued at a price of ₹65.30 (Rupees Sixty Five and Thirty Paise only), as a result of which Paid-up Share Capital of the Company was increased from ₹8,25,41,490 (Rupees Eight Crore Twenty Five Lacs Forty One Thousand Four Hundred and Ninety Only) divided into 82,54,149 (Eight Two Lacs Fifty Four Thousand One Hundred and Forty Nine) Equity Shares of ₹10 (Rupees Ten Only) each to ₹8,42,26,010/- (Rupees Eight Crore Forty Two Lacs Twenty Six Thousand and Ten Only) divided into 84,22,601 (Eighty Four Lacs Twenty Two Thousand Six Hundred and One) Equity Shares of ₹10 (Rupees Ten Only) each.
- As per the agreement dated November 9th 2016, the company purchased property (details mentioned below) for a consideration of ₹ 2 crores. The company paid the consideration of ₹1,68,00,000/- by taking term loan from Deutsche Bank and balance amount from internal accrual. Property details – 605, 6th floor, Rupa Solitaire building, Millennium Business Park, Thane Belapur Road, Mahape, Navi Mumabi – 400 710.

## DISCUSSION ON THE RESULTS OF OPERATIONS

The following discussion on the financial operations and performance is based on our restated financial statements for the FY 2011-12, FY 2012-13, FY 2013-14, FY 2014-15 and FY2015-16 and June30, 2016.

### Summary of the Results of Operation

The following table sets forth selected financial data from restated profit and loss accounts for the period ended June 30, 2016, March 31, 2016, March 31, 2015 and March 31, 2014 and the components of which are also expressed as a percentage of total income for such periods.

Particulars	(₹ in lakhs)							
	2014		2015		2016		June 30, 2016	
	(Amount in Rupees)	% of Total Revenue	(Amount in Rupees)	% of Total Revenue	(Amount in Rupees)	% of Total Revenue	(Amount in Rupees)	% of Total Revenue
<b>Revenue</b>								
Revenue from operations	615.66	100.00%	1,079.77	99.97%	1,398.22	100.00%	378.66	100.00%
Other income	-	0.00%	0.33	0.03%	-	0.00%	-	0.00%
<b>Total Revenue</b>	<b>615.65</b>	<b>100.00%</b>	<b>1,080.10</b>	<b>100.00%</b>	<b>1,398.22</b>	<b>100.00%</b>	<b>378.66</b>	<b>100.00%</b>
<b>Expenses</b>								
Purchases of stock in trade	421.75	68.50%	570.86	52.85%	1,390.98	99.48%	145.65	38.47%

Particulars	2014		2015		2016		June 30, 2016	
	(Amount in Rupees)	% of Total Revenue	(Amount in Rupees)	% of Total Revenue	(Amount in Rupees)	% of Total Revenue	(Amount in Rupees)	% of Total Revenue
Changes in inventory of stock in trade	(118.02)	-19.17%	61.47	5.69%	(606.44)	-43.37%	54.66	14.43%
Employee benefits expense	121.40	19.72%	89.39	8.28%	163.11	11.67%	77.28	20.41%
Other expenses	74.31	12.07%	178.88	16.56%	165.60	11.84%	36.40	9.61%
<b>Total Expenses</b>	<b>499.45</b>	<b>81.12%</b>	<b>900.59</b>	<b>83.38%</b>	<b>1,113.24</b>	<b>79.62%</b>	<b>313.99</b>	<b>82.92%</b>
<b>Earning Before Interest, Tax, Depreciation and Amortization</b>	<b>116.21</b>	<b>18.88%</b>	<b>179.51</b>	<b>16.62%</b>	<b>284.98</b>	<b>20.38%</b>	<b>64.67</b>	<b>17.08%</b>
Finance costs	19.55	3.18%	37.26	3.45%	47.68	3.41%	12.07	3.19%
Depreciation and amortization expense	44.46	7.22%	54.56	5.05%	120.40	8.61%	19.40	5.12%
<b>Restated Profit Before Tax</b>	<b>52.19</b>	<b>8.48%</b>	<b>87.69</b>	<b>8.12%</b>	<b>116.89</b>	<b>8.36%</b>	<b>33.20</b>	<b>8.77%</b>
<b>Tax Expense:</b>								0.00%
- Current tax	-	0.00%	15.84	1.47%	11.10	0.79%	14.24	3.76%
-MAT credit (entitlement)	(5.78)	-0.94%	(14.74)	-1.36%	-	0.00%	-	
- MAT credit utilised	5.78	0.94%	-	0.00%	35.24	2.52%	-	0.00%
- Tax adjustment of earlier years (net)	-	0.00%	-	0.00%	(10.82)	-0.77%	0.84	0.22%
- Deferred tax-charge	2.47	0.40%	1.75	0.16%	18.94	1.35%	(2.79)	-0.74%
Total Tax Expense								
<b>Restated Profit After Tax</b>	<b>49.73</b>	<b>8.08%</b>	<b>84.83</b>	<b>7.85%</b>	<b>62.43</b>	<b>4.46%</b>	<b>20.91</b>	<b>5.52%</b>

### Main Components of our Profit and Loss Account

#### Income

##### *Revenue from operations*

Our income comprises of sale of products and services by providing tablet/PCs/computing device brands and units for enterprises, design/developing/maintenance of software applications

##### *Other Income*

Our other income includes write backs & interest.

##### *Expenditure*

Our total expenditure primarily consists of Purchases of Stock-in-Trade, Changes in Inventories of Stock-in- Trade, Employee Benefit Expense, Other Expenses, Finance Cost and Depreciation.

##### *Purchases of Stock-in-Trade*

Our purchases include tablet/PCs/computing device.

##### *Employee Benefit Expense*

Employee benefit expenses include salaries including Salaries, Wages, Bonuses, Directors' Salaries and Staff Welfare Expenses.

**Other Expenses**

Our other expenses primarily include rent, computer expenses, travelling and conveyance, communication costs, legal and professional fees, office and administrative expenses.

**Finance Cost**

Our finance cost comprises of interest on indebtedness, bank and other finance charges.

**Depreciation**

Depreciation expenses primarily consist of depreciation on the fixed assets of our Company which primarily includes vehicles, computers & accessories and other office equipment and furniture.

**REVIEW FOR THE 3 MONTHS PERIOD ENDED JUNE 30, 2016****Income****Revenue from operations**

Company has earned income of ₹3,78,65,759 from sale of the products and services which comprises 100% of the total income.

**Purchase of Stock-in trade**

Company purchases include tablet/PCs/computing device. As at June 30, 2016, Company held stock of include tablet/PCs/computing device at ₹14,56,50,976

**Employee Benefit Expenses**

Our employee benefit expenses include salaries including ESI, Provident Fund contribution and Director's salaries. As at June 30, 2016, our employee benefit expenses amounted to ₹77,28,240.

**Other Expenses**

Our other expenses primarily include rent, delivery charges, loading and unloading expenses and other administrative and establishment charges. The other expenses were 9.61% of total income.

**Finance Cost**

Our finance cost comprises of interest on indebtedness, bank and other finance charges. The finance cost for the period ended June 30, 2016 amounted to ₹12,06,819.

**Depreciation**

In the period ended June 30, 2016, our Company purchased new fixed assets including furniture, office equipments and computers amounting to ₹ 11,32,775/-. As on June 30, 2016, the depreciation amounted to ₹19,40,094 for a period ended three months.

**Profit Before Tax**

The profit before tax was ₹33,19,972 which was 8.77% of total income for the period ended June 30, 2016

**Profit After Tax**

The profit after tax was ₹20,90,665 which was 5.52% of the total income for the period ended June 30, 2016

**COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2016 WITH FISCAL 2015****Income****Revenue from operations**

Our total revenue from operations increased by 29.49% from ₹10,79,77,385 in the Fiscal Year ended 2015 to ₹13,98,22,438 in the Fiscal Year ended 2016. The increase in revenue from operations was due to client addition.

**Other Income**

Our other income in the Fiscal Year ended 2015 was ₹33,000 from foreign exchange while in the Fiscal Year ended 2016 we don't have earnings from other income component.

## Expenditure

### *Purchases of Stock-in-Trade*

Our purchases of stock-in-trade of tablet/PCs/computing device increased by 143.7% from ₹5,70,86,000 in the Fiscal Year 2015 to ₹13,90,97,674 in the Fiscal Year 2016. The increase was due to higher revenue and supply of stocks in hand.

### *Employee Benefit Expense*

Our employee benefit expenses increased by 82.47% from ₹89,38,863 in the Fiscal Year 2015 to ₹1,63,10,899 in the Fiscal Year 2016. The increase was due to increase in number of employees and remuneration to Directors.

### *Other Expenses*

Our other expenses decreased by 7.42% from ₹1,78,87,546 in the Fiscal Year 2015 to ₹1,65,60,297 in the Fiscal Year 2016. The decrease in the other expenses was due to lower rent & business promotion expenses.

### *Finance Cost*

Our Finance cost increased from ₹37,25,889 in the Fiscal Year 2015 to ₹47,68,436 in the Fiscal Year 2016. The increase was due to increase in indebtedness.

### *Depreciation*

Depreciation expenses increased from ₹54,56,350 in Fiscal Year 2015 to ₹1,20,40,284 in Fiscal Year 2016. This increase was due to purchase of fixed assets and due to change in the economic life of fixed assets as per the Companies Act, 2013.

### *Profit before Tax*

Our PBT increased from ₹87,68,006 in Fiscal Year 2015 to ₹1,16,89,336 in Fiscal Year 2016. The increase was due to increase in revenue from operation.

### *Total Tax expense*

Total tax expenses increased from ₹2,85,248 in Fiscal Year 2015 to ₹54,45,623 in Fiscal Year 2016. This increase was due to full utilization of MAT credit entitlement and deferred tax charge in the Fiscal Year 2016.

### *Profit after Tax*

Due to MAT credit entitlement and deferred tax charge in Fiscal Year 2015, our profit after tax was ₹84,82,758 in Fiscal 2015 while our profit after tax is ₹62,42,713 in Fiscal 2016.

## **COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2015 WITH FISCAL 2014**

### Income

#### *Revenue from operations*

Our total revenue from operations increased by 75.38% from ₹61,56,51,46 in the Fiscal Year ended 2014 to ₹1,07,97,77,385 in the Fiscal Year ended 2015. The increase in revenue from operations was due to client addition.

#### *Other Income*

Our other income in the Fiscal Year ended 2015 was ₹33,000 from foreign exchange while in the Fiscal Year ended 2014 we don't have earnings from other income component.

### Expenditure

#### *Purchases of Stock-in-Trade*

Our purchases of stock-in-trade of tablet/PCs/computing device increased by 35.36% from ₹4,21,75,000 in Fiscal Year 2014 to ₹5,70,86,000 in the Fiscal Year 2015. The increase was due to higher revenue from operation.

#### *Employee Benefit Expense*

Our employee benefit expenses decreased from ₹1,21,40,122 in the Fiscal Year 2014 to ₹89,38,863 in the Fiscal Year 2015. The decrease was due to increase in number of employees.

#### *Other Expenses*

Our other expenses increased by 140.70% from ₹74,31,498 in the Fiscal Year 2014 to ₹1,78,87,546 in the Fiscal Year 2015. The increase in other expenses was due to higher travelling & conveyance, professional fees and other miscellaneous expenses.

**Finance Cost**

Our Finance cost increased from ₹19,55,439 in the Fiscal Year 2014 to ₹37,25,889 in the Fiscal Year 2015. The increase was due to increase in indebtedness.

**Depreciation**

Depreciation expenses increased from ₹44,46,221 in Fiscal Year 2014 to ₹54,56,350 in Fiscal Year 2015. This increase was due to purchase of fixed assets.

**Profit before Tax**

Our PBT increased from ₹52,19,866 in Fiscal Year 2014 to ₹87,68,006 in Fiscal Year 2015. The increase was due to increase in revenue from operation.

**Total Tax expense**

Total tax expenses increased from ₹2,47,436 in Fiscal Year 2014 to ₹2,85,248 in Fiscal Year 2015. This increase was on account of higher profit before tax.

**Profit after Tax**

Due to increase in revenue from operation in Fiscal Year 2015, our profit after tax was ₹84,82,758 in Fiscal 2015 while our profit after tax is ₹62,42,713 in Fiscal 2016.

**INFORMATION REQUIRED AS PER ITEM (2) (IX) (E) (5) OF PART A OF SCHEDULE VIII TO THE SEBI ICDR REGULATIONS:**

- **Unusual or infrequent events or transactions**  
There are no unusual or infrequent events or transactions that have significantly affected operations of our Company.
- **Significant economic changes that materially affected or are likely to affect income from continuing operations**  
Other than as described in the chapters titled “Risk Factors”, “Financial Information” and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations”, beginning on pages 15, 114 and 143 respectively of this Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing operations.
- **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 described in the sections titled “Risk Factors”, “Financial Information” and chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations”, beginning on pages 15, 114 and 143 respectively of this Prospectus respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.
- **Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change**  
Other than as described in the section titled “Risk Factors” and the chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 15 and 143, respectively, of this Prospectus, to our knowledge there are no known factors which will have a material adverse impact on our operations or finances.
- **The extent to which material increases in net sales/ revenue is due to increase in sales volume, introduction of new products or services or increased sales prices**  
The increase in revenues is by and large linked to increases in volume of all the activities carried out by the Company.
- **Total turnover of each major industry segment in which the Company operated**  
The Company is operating in the Information and Communication Technology (ICT) industry. Relevant industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page 74 of this Prospectus.
- **Status of any publicly announced new products or business segments**  
Other than as described in the chapter titled “Our Business” beginning on page 77, of this Prospectus, our Company has not announced any new projects or business segments.
- **The extent to which our Company’s business is seasonal**  
Our Company’s business is not seasonal in nature.

- ***Any significant dependence on a single or few suppliers or customers***  
Other than as described in the chapter titled “Our Business” beginning on page 77, of this Prospectus, we confirm that we confirm that we are not dependent on any other customer for our business.
- ***Competitive conditions***  
We operate in an intensely competitive industry that experiences rapid technological developments, changes in industry standards, and changes in customer requirements. Our competitors include large IT consulting firms, captive divisions of large multinational technology firms, large Indian IT services firms, in-house IT departments of large corporations, in addition to numerous smaller local competitors in the various geographic markets in which we operate. The technology services industry is experiencing rapid changes that are affecting the competitive landscape.

## FINANCIAL INDEBTEDNESS

## Secured Loans availed by our Company

Our Company has availed certain term loans and working capital facilities from several banks as on September 30, 2016, details of which are set out below:

Name of the Lender	Sanctioned Amount as on September 30, 2016 (₹ in Lakhs)	Amount outstanding as on September 30, 2016 (₹ in Lakhs)	Rate of Interest (%)	Repayment Schedule/ Terms of Renewal	Security provided
<b>Fund Based Limit I</b>					
<b>State Bank of India</b>  Sanction Letter dated October 7, 2013 and December 2, 2014  Supplemental Agreement of Loan-cum-Hypothecation dated December 3, 2014	500.00 (Cash Credit)	318.89	3% above base rate	On demand	<b>Primary Security:</b> <ul style="list-style-type: none"> <li>▪ Hypothecation of Company's stocks of RM, SFG, FG lying in the factory premises or in transit or elsewhere and Company's book debts and receivables and other current assets of our Company.</li> </ul> <b>Collateral Security:</b> <ul style="list-style-type: none"> <li>▪ Flat No. 1001 admeasuring 964 Sq. Ft. of carpet area, on 10<sup>th</sup> floor of B wing of the building known as "Grow More Tower Co-Op Hsg Society Limited" constructed on plot of land containing by admeasurements 6000 Sq. Mt. and bearing plot no. 5 in Sector 2 lying being and situate at Village Kharghar, Tal Panvel within the Registration District and Sub-District of Panvel, Raigad in the name of Mr. Dhiraj Sharma and Ms. Varsha Sharma;</li> <li>▪ Flat No. E-701 admeasuring 80.725 Sq. Ft. of carpet area, on 7<sup>th</sup> floor of the building known as "Panchavati Co-Op Hsg Society Limited" Plot no. 92-93 in Sector 5 in Ghansoli, Navi Mumbai, Tal &amp; District Thane, within the Registration District and Sub-District of Thane in the name of Mr. Siddhartha Xavier;</li> <li>▪ Flat No. F-702 admeasuring 80.725 Sq. Ft.</li> </ul>

Name of the Lender	Sanctioned Amount as on September 30, 2016 (₹ in Lakhs)	Amount outstanding as on September 30, 2016 (₹ in Lakhs)	Rate of Interest (%)	Repayment Schedule/ Terms of Renewal	Security provided
					<p>of carpet area, on 7<sup>th</sup> floor of the building known as "Panchavati Co-Op Hsg Society Limited" Plot no. 95-96 in Sector 5 in Ghansoli, Navi Mumbai, Tal &amp; District Thane, within the Registration District and Sub-District of Thane in the name of Mr. Krishna Singh and Mr. Shree Ram Singh.</p> <p><b>Personal Guarantee:</b></p> <ul style="list-style-type: none"> <li>Personal Guarantee of Mr. Krishna Singh; Mr. Dhiraj Sharma; Mr. Siddhartha Xavier; and Ms. Varsha Sharma.</li> </ul>
<b>Total (A)</b>	<b>500.00</b>	<b>318.89</b>			
<b>Commercial Property Loan</b>					
Deutsche Bank  Sanction Letter dated October 6, 2016	168.00	167.39	1.05% above base rate	180 equated monthly instalments amounting to Rs. 1,80,534/- per month (including interest)	<p><b>Primary Security:</b> 605, 6th floor, Rupa Solitaire building, Millennium Business Park, Thane Belapur Road, MAHAPE, Navi Mumabi 400 710.</p> <p><b>Personal Guarantee:</b></p> <ul style="list-style-type: none"> <li>Personal Guarantee of Mr. Krishna Singh.</li> </ul>
<b>Total (A)</b>	<b>168.00</b>	<b>167.39</b>			

**Restrictive Covenants:**

The Company has availed term loan and working capital facility from the State Bank of India ("**SBI**"). SBI by way of its letters dated October 7, 2013 and December 2, 2014 (the "**Sanction Letters**") has sanctioned the aforementioned facilities. The Sanction Letter contain various restrictive conditions and covenants restricting certain corporate actions, and for some of these corporate actions our Company is required to take the prior approval of the lender before carrying out such activities which are set out below:

- ❖ Effect any change in the unit's capital structure.
- ❖ Implement any scheme of expansion /modernization /diversification, renovation or acquire any fixed assets during any accounting year, except such schemes which have already been approved by the Bank.
- ❖ Formulate any scheme of amalgamation or reconstruction.
- ❖ Invest by way of share capital or lend or advance funds to, or place deposits with any other concern, including sister/associate/family concerns. Normal trade credit or security deposits in the normal course of business or advances to employees can however be extended.
- ❖ Enter into borrowing arrangements either secured or unsecured with any other Bank, Financial institution, company or person
- ❖ Undertake guarantee obligations on behalf of any other company firm or person.

- ❖ Declare dividends for any year except out of profits relating to that year after making all due and necessary provisions and provided further that no default had occurred in any repayment obligations
- ❖ The unit should not make any drastic change in their management setup without the Bank's permission.
- ❖ In addition to the normal insurance cover the unit will arrange for insurance cover in respect of standing charges and loss of profit in the event of any stoppage of production for any reason.
- ❖ Effect any change in the remuneration payable to the directors/partners etc either in the form of sitting fees or otherwise.
- ❖ Pay guarantee commission to the guarantors whose guaranteed have been stipulated/ furnished for the credit limits sanctioned by the Bank.
- ❖ Create any further charge, lien or encumbrance over the assets and properties of the unit/company to be charged to the Bank in the favour of any other Bank, Financial institution, firm or person. '
- ❖ Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Bank and
- ❖ Undertake any trading activity other than the sale of produce arising out of its own manufacturing /trading operations.
- ❖ Repay monies brought in by the promoters/directors/principal shareholders and their friends and relatives by way of deposits/loans/advances. Further, the rate of interest, if any, payable on such deposits/loans/advances should be lower than the rate of interest charged by the Bank on its Term Loan and payment of such subject to regular repayment of instalments under Term Loans payment guarantees executed by the Bank or other repayment obligation, if any, due from the Company to the Bank.
- ❖ All unsecured loans/deposits raised by the Company for financing a project are always subordinate to the loans of the Bank/Financial Institutions and should be permitted to be repaid only with the prior approval of all the Banks and the financial institutions concerned.

#### **Unsecured Loans availed by our Company**

Our Company has availed unsecured loans from various banks and financial institutions to the tune of ₹119.13 lakhs as on November 30, 2016.

## SECTION VII: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below there is no (i) pending criminal litigation involving our Company, Directors or Promoters; (ii) pending action by statutory or regulatory authorities involving our Company, Directors or Promoters; (iii) outstanding claims involving our Company, Directors, or Promoters for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated for economic offences against our Company; (v) pending defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five (5) years immediately preceding this Draft Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or the Companies Act 1956 against our Company during the last five (5) years immediately preceding the year of this Draft Prospectus; (viii) prosecutions filed (whether pending or not); fines imposed or compounding of offences for our Company, in the last five (5) years immediately preceding the year of this Draft Prospectus; (ix) litigation or legal action against our Promoters by any ministry or Government department or statutory authority during the last five (5) years immediately preceding this Draft Prospectus; (x) other pending litigations involving our Company, Directors, Promoters, or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; and (xii) dues to small scale undertaking and other creditors.*

*Our Company, our Directors, our Promoters, have not been declared as willful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoters, or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

*Details of other legal proceedings, determined to be material by our Board of Directors and currently pending involving our Company, Directors and Promoters are set forth below. Pursuant to the SEBI (ICDR) Regulations, for the purposes of disclosure, all other pending litigation involving our Company, Directors, and Promoters, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending matter is in excess of ₹[●] million or such pending litigation proceedings which are material from the perspective of the business, operations, prospects or reputation of our Company.*

#### **I. Revenue proceedings against our Company**

##### **Assessment Year 2015-2016**

Our Company has been issued a notice under Section 143(2) of the Income Tax Act, 1961 for a personal hearing on May 4, 2016 in relation to the return of income submitted by our Company in relation to the A.Y. 2015-2016. Our Company by way of its letter dated August 24, 2016 has submitted the required documents and information to the Income Tax Department. The matter is pending before the Income Tax Officer, Mumbai.

#### **II. Labour dispute against our Company**

Mr. Vinod Goyal, erstwhile employee of our Company, has filed a complaint against our Company before the Deputy Commissioner of Labour for non-payment of ₹0.67 lakhs (₹67,500) for the period October 2013 to February 2015. The matter is pending before the Deputy Commissioner of Labour.

#### **III. Inspection remarks under various labour & industrial laws against our Company**

Our Company has been issued inspection remarks under various labour and industrial acts and rules made thereunder viz. The Payment of Gratuity Act, 1972 and Maharashtra Payment of Gratuity Rules, 1972; Payment of Wages Act, 1936 and Maharashtra Payment of Wages Rules, 1963; The Maternity Benefit Act, 1961 and Maharashtra Maternity Benefit Rules, 1965; The Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963; and The Payment of Bonus Act, 1965 and Maharashtra Payment of Bonus Rules, 1975. The matter is pending before the labour officers.

#### **IV. Past cases where penalties imposed**

There are no past cases in the five (5) years preceding the date of this Draft Prospectus, where penalties were imposed on our Company by concerned authorities.

**V. Past inquiries, inspections and investigations**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last five (5) years immediately preceding the year of issue of the Draft Prospectus in the case of our Company. There have been no prosecutions filed (*whether pending or not*) fines imposed, compounding of offences in the last five (5) years immediately preceding the year of the Draft Prospectus.

**VI. Pending dues of Small Scale Undertakings and other Creditors**

Our Company does not have any dues exceeding ₹1 Lakh outstanding for more than thirty (30) days to any small-scale industrial undertaking(s), other than in the ordinary course of business.

As per the materiality policy approved by the Board for identification of material creditors, such creditor of our Company shall be considered material for the purpose of disclosure in the Issue Documents, if amounts due to any of them exceeds 10% of the total trade payables as per our last audited financial statements.

As on June 30, 2016, our Company had 105 creditors, to whom a total of ₹159.41 lakhs (net of debit balance) was outstanding. Of these, one was a material creditor, being a creditor to whom an amount exceeding ₹15.94 lakhs is outstanding, as determined to be material by our Board of Directors and the amount due to such material creditor was ₹188.45 lakhs. None of these creditors have been identified as small scale undertakings by our Company based on information available to us.

*The details pertaining to net outstanding dues towards our creditors are available on the website of our Company at [www.globalspace.in](http://www.globalspace.in). Information provided on the website of our Company is not a part of this Draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.*

**VII. Statutory dues**

Except as stated under section titled "Financial Information" beginning on page 114 of this Draft Prospectus, as on June 30, 2016, our Company does not have any outstanding statutory dues.

**VIII. Material Developments**

Except as disclosed under section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 143, there have not arisen, since the date of the last financial information disclosed in this Draft Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next twelve (12) months.

## GOVERNMENT AND OTHER APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required by us to undertake this Issue and for our present business and except as mentioned below, no further material approvals are required for carrying on our present business operations. Unless otherwise stated, these approvals are valid as on the date of this Draft Prospectus.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.*

### I. Approvals for the Issue

The following approvals have been obtained or will be obtained in connection with the Issue:

- a. The Board of Directors has, pursuant to resolution passed at its meeting held on November 10, 2016 authorised the Issue, subject to the approval by the Equity Shareholders of our Company under Section 62(1)(c) of the Companies Act. Subsequently, the Board of Directors approved this Draft Prospectus at their meeting held on December 30, 2016.
- b. The Equity Shareholders of our Company have authorised the Issue, pursuant to a special resolution passed at the extra ordinary general meeting of our Company held on December 7, 2016, under Section 62(1) (c) of the Companies Act.
- c. Our Company has obtained approval from SME platform of the BSE Limited by way of a letter dated [●] to use the name of the Stock Exchange in this Draft Prospectus for listing of Equity Shares on the Stock Exchange.
- d. NSDL/CDSL: ISIN No.: [●].

### II. Approvals obtained by our Company

No.	Issuing Authority	Nature of License / Approval	Registration/ License No.	Date of granting License/ Approval	Validity
<b>General Approvals obtained by our Company</b>					
1.	The Registrar of Companies, Maharashtra, Mumbai	Certificate of Incorporation in the name of GlobalSpace Tech Private Limited.	U64201MH2010PTC211219	December 22, 2010	One Time Approval
2.	The Registrar of Companies, Maharashtra, Mumbai	Fresh Certificate of Incorporation consequent upon change of name from GlobalSpace Tech Private Limited to GlobalSpace Technologies Private Limited	U64201MH2010PTC211219	September 20, 2016	One Time Approval
3.	The Registrar of Companies, Mumbai	Fresh Certificate of Incorporation consequent upon change of name on conversion to public limited company in the name of GlobalSpace Technologies Limited	U64201MH2010PLC211219	November 30, 2016	One Time Approval
4.	Income Tax Department	Permanent Account Number (PAN)	AAECG0582G	--	One Time Approval
5.	Income Tax Department	TAN	MUMG15276C	--	One Time Approval
6.	Sales Tax Officer, Mumbai, VAT	Certificate of Registration to certify that the Company has been registered as a dealer under Section 7(1)/ 7(2) of the Central Sales Tax Act, 1956	27270847240C	August 8, 2011	One Time Registration

No.	Issuing Authority	Nature of License / Approval	Registration/ License No.	Date of granting License/ Approval	Validity
7.	Sales Tax Officer, Mumbai (VAT)	Certificate of Registration to certify that our Company is engaged in the business and is registered as a dealer under Section 16 of the Maharashtra Value Added Tax Act, 2002 (TIN)	27270847240V	August 8, 2011	One Time Registration
8.	Profession Tax Officer, Mumbai	Certificate of enrolment under Sub-section (2) or Sub-section (2A) of Section 5 of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 (Goregaon) certifying that our Company is engaged in profession/ trade/ calling.	99711861594P	August 5, 2011	--
9.	Profession Tax Officer, Mumbai	Certificate of enrolment under Sub-section (1) of Section 5 of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 (Goregaon) certifying that our Company is registered as an employer	27270847240P	August 5, 2011	--
10.	Central Excise Officer, Central Board of Excise and Customs	Service Tax Registration certifying to have been registered with the central excise department for the following services: management consultants, online information and data, scientific and technical consultancy, erection, commissioning and installation, intellectual property services other than copyright, development and supply of content services, information technology software service	AAECG0582GSD001	July 6, 2011	One Time Approval
<b>Business Approvals obtained by our Company</b>					
1.	Scientist E (Registration Department), Bureau of Indian Standards	Grant of registration for SOLT bearing Model SoLTADP	REGISTRATION/ CRS 2015-2848/R-41027650	December 29, 2015 effective from December 21, 2015	December 20, 2017
2.	Bureau of Indian Standards	Grant of registration for SOLT bearing Model SOLT IV W	R-41012190	February 9, 2015 effective from February 6, 2015	February 5, 2017
3.	Development	Certificate of Importer	0311029752	August 3, 2011	One Time

No.	Issuing Authority	Nature of License / Approval	Registration/ License No.	Date of granting License/ Approval	Validity
	Officer, Office of Zonal Director General of Foreign Trade	Exporter Code (IEC)			Approval
4.	Office of the shop Inspector under Maharashtra Shops and Establishment Act, 1948	Registration Certificate of Establishment registered as shop	1610200310326377	December 2, 2014	December 1, 2017
5.	Deputy Director of Industries (MMR)	Entrepreneur Memorandum Number	27222200869	February 4, 2012	One Time Acknowledgement

### III. Approvals in relation to Intellectual Property Rights

For details in relation to approvals obtained by our Company for Intellectual Property Rights of our Company, please refer to section titled "Our Business – Intellectual Property Rights" beginning on page 89 of this Draft Prospectus.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Our Board has, pursuant to its resolution dated November 10, 2016, authorized the Issue, subject to the approval of the Equity Shareholders of our Company under Section 62(1)(c) of the Companies Act and our Equity Shareholders have, pursuant to a resolution dated December 7, 2016, under Section 62(1)(c) of the Companies Act, authorized the Issue.

### Prohibition by SEBI, RBI or governmental authorities

Our Company, Promoter, members of the Promoter Group, Directors or Group Entities have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, members of the Promoter Group, Directors or Group Entities are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

### Association with Securities Market

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

### Prohibition by RBI

Neither our Company, our Promoters, our Directors, Group Entities, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under section titled "Outstanding Litigations and Material Developments" beginning on page 157 of this Draft Prospectus.

### Eligibility for the Issue

Our Company is not ineligible in terms of Regulations 4(2) of SEBI (ICDR) Regulations for this Issue.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (2) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital will be more than ₹ 10 crore but less than ₹ 25 crore, and we may hence issue Equity Shares to the public and propose to list the same on the SME Platform (in this case being the "SME Platform of BSE").

### We confirm that:

In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "General Information – Underwriting" beginning on page 40 of this Draft Prospectus.

In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.

In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any of this Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits a copy of the 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.

In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the LM and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE. For further details of the arrangement of market making please refer to section titled "General Information – Details of the Market Making Arrangements for this Offer" beginning on page 40 of this Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Exchange / Platform of BSE, which states as follows:

1. Our Company has Net Tangible Assets of at least 3 Crore as per the latest audited financial results (as restated).

As on June 30, 2016 and March 31, 2016 the Company has Net Tangible Assets\* of ₹6.71 Crore and ₹5.25 Crore, respectively, which satisfies the criteria of having Net Tangible Assets of at least ₹3.00 Crore.

\*Net tangible assets are defined as the sum of all net assets of the Company, excluding intangible assets and Net Deferred Tax as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India

2. The Net worth (excluding revaluation reserves) of the Company is at least 3 Crore as per the latest audited financial results

As on June 30, 2016 and March 31, 2016, the Company had Net Worth of ₹8.31 Crore and ₹7.01 Crore, respectively, as per the restated financial results

\*Net worth includes Equity Share Capital and Reserves (excluding revaluation reserves, Miscellaneous Expenditure not written off, if any & Debit Balance of Profit and Loss Account not written off, if any)

3. Track record of distributable profits in terms of Section 123 of Companies Act, 2013 for at least two (2) years out of immediately preceding three (3) financial years and each financial year has to be a period of at least twelve (12) months. Extra Ordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the Net Worth shall be at least 3 Crores. Otherwise, the Net Worth shall be at least Rs. 5 Crores.

Our Company's distributable profits in terms of Section 123 of Companies Act, 2013 (as restated) in last three (3) financial years are detailed below:

(₹ in lakhs)			
Particulars	For F.Y. 2015-16	For F.Y. 2014-15	For F.Y. 2013-14
Net Profit (as restated)	62.43	84.83	49.73

4. The post-issue paid up capital of our Company shall be at least Rs. 3 Crore. As detailed in chapter "Capital Structure" on 49 of this Draft Prospectus, our Company will have a post issue paid up capital of Rs. 1145.66 Lakhs
5. Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated [●] and National Securities Depository Limited dated [●] for establishing connectivity.
6. Our Company has a website i.e. www.globalspace.in
7. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
8. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
9. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.

10. There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE

Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations.

Our Company is in compliance with the provisions specified in Part A of Schedule VIII of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 113 of the SEBI (ICDR) Regulations, with respect to the Issue. Further, our Company has not been formed by the conversion of a partnership firm into a company.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, CHOICE CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, CHOICE CAPITAL ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●] WHICH READS AS FOLLOWS:**

**WE, THE LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:**

- (1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT 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 DRAFT PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
  - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
  - (C) THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, 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 DRAFT 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.**
- (5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER 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 DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT 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 DRAFT 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 DRAFT 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 DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE AS PER SECTION 29 OF THE COMPANIES ACT, 2013, A COMPANY SHALL ISSUE THE SECURITIES ONLY IN DEMATERIALIZED FORM BY COMPLYING WITH THE PROVISIONS OF THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER.**
- (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 DRAFT PROSPECTUS:
- (a) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER; AND
  - (b) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
- (13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
- (14) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR 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 DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
- (16) WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR.
- (17) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. -TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE DRAFT PROSPECTUS.
- (18) WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS. (IF APPLICABLE) - NOT APPLICABLE

**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 DRAFT 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 DRAFT 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 – NOTED FOR COMPLIANCE.

- (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 DRAFT 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.**

*Note:*

*The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the LM any irregularities or lapses in the Draft 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, Maharashtra, Mumbai in terms of sections 26, 32 and 33 of the Companies Act, 2013.*

**Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Choice Capital Advisors Private Limited:**

Sr. No.	Issue Name	Issue size (Rs. in Crore)	Issue price (Rs.)	Listing date	Opening price on listing date (In Rs.)	+/- % 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	Bhanderi Infracon Limited	6.48	120.00	August 08, 2014	113.50	+1.46% [+6.70%]	0.00% [+10.21%]	-1.58% [14.49%]
2	Khemani Distributors & Marketing Limited	15.84	100.00	March 30, 2016	105.00	0.00% [+1.04%]	0.00% [+4.20%]	0.70% [13.14%]

Source: www.bseindia.com

**Notes:**

1. The BSE Sensex is considered as the Benchmark Index.
2. Price on BSE is considered for all of the above calculations.
3. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

**Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Choice Capital Advisors Private Limited:**

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Crore)	Nos. of IPOs trading at discount - 30th calendar days from listing			Nos. of IPOs trading at premium - 30th calendar days from listing			Nos. of IPOs trading at discount -180th calendar days from listing			Nos. of IPOs trading at premium as on 180th calendar days from listing		
			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%
2014-15	1	6.48	-	-	-	-	-	1	-	-	1	-	-	-
2015-16	1	15.84	-	-	-	-	-	-*	-	-	-	-	-	1
2016-17	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\* As on the 30th Calendar day from the listing day, the closing price of Khemani Distributors & Marketing Limited was exactly equal to its Issue Price.

**Notes:**

1. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
2. The funds raised by Bhanderi Infracon Limited, including allotment against oversubscription upto ten per cent. of the net offer to public was Rs. 6.59 Crore.

**Track Record of past issues handled by Choice Capital Advisors Private Limited**

For details regarding track record of Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: [www.choiceindia.com](http://www.choiceindia.com)

**Disclaimer from our Company and the Lead Manager**

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Lead Manager and our Company on December 14, 2016 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

**Caution**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

**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 majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative 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 the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Prospectus does not, however, constitute an invitation to subscribe for Equity 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 Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**Disclaimer Clause of the SME Platform of BSE**

As required, a copy of this Offer Document has been submitted to BSE Limited (hereinafter referred to as BSE). BSE has given vide its letter [●] permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by BSE should not in any way be deemed or construed that the offer document has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange 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 any other reason whatsoever.

**Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "*Securities Act*") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**Filing**

The Draft Prospectus is being filed with BSE Limited, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra.

A copy of this Draft Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the Prospectus in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the Securities and Exchange Board of India, Corporation Finance Department, SEBI Bhavan, Plot No. C4-A, G Block, 3rd Floor, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, India for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra.

**Listing**

The Equity Shares of our Company are proposed to be listed on BSE. Our Company has obtained in-principle approval from BSE by way of its letter dated [●] for listing of equity shares on SME Platform of BSE.

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus. If such money is not repaid within eight (8) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) days, be liable to repay such application money, with interest at the rate as prescribed under the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within six (6) Working Days of the Issue Closing Date.

## Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

*"Any person who –*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
  - (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
  - (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*
- shall be liable for action under section 447."*

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six (6) months extending up to ten (10) years (provided that where the fraud involves public interest, such term shall not be less than three (3) years) and fine of an amount not less than the amount involved in the fraud, extending up to three (3) times of such amount.

## Consents

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Executive Officer, Chief Financial Officer, Our Statutory Auditor, Key Managerial Personnel, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, Our Company has received written consent from the Statutory Auditors namely, M/s. Tolia & Associates, Chartered Accountants, to include their name as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an auditor and to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Prospectus.

## Experts Opinion

Except for the reports in the sections titled "Financial Statements" and "Statement of Possible Tax Benefits" beginning on pages 114; and 67 respectively of this Draft Prospectus from the Statutory Auditor., our Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

## Expenses of the Offer

The Estimated Offer expenses are as under:

Activity	Expenses (₹ in Lakhs)	% of Total Estimated Offer Expenditure	% of Offer Size
Payment to Merchant Banker including, Underwriting and Selling commissions, Brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other Out of Pocket Expenses	[●]	[●]	[●]
Printing and Stationery and Postage Expenses	[●]	[●]	[●]
Advertising and Marketing Expenses	[●]	[●]	[●]
Regulatory Fee and Expenses	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

## Fees, Brokerage and Selling Commission payable to the LM

The total fees payable to the Lead Manager will be as per the (i) Issue Agreement dated December 14, 2016 with the Lead Manager, (ii) the Underwriting Agreement dated [●] with Underwriter and (iii) the Market Making Agreement dated [●] with

Market Maker [●], a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Draft Prospectus until the Issue Closing Date.

### **Fees Payable to the Registrar to the Offer**

The fees payable to the Registrar to the Offer for processing of applications, data entry, printing of refund orders, preparation of refund data on magnetic tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated December 27, 2016 a copy of which is available for inspection at our Company's 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 to the Registrar to the Issue to enable it to make refunds in any of the modes described in this Draft Prospectus or send allotment advice by registered post/speed post.

### **Particulars regarding Public or Rights Issues during the last five (5) years**

Our Company has not made any previous public or rights issue during the five (5) years preceding the date of this Draft Prospectus.

### **Previous issues of Equity Shares otherwise than for cash**

Except as disclosed under "*Capital Structure*" on page 85, our Company has not issued any securities for consideration other than cash.

### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

### **Details of public/ rights issues by listed Group Companies, Subsidiaries and Associate in the last three years**

As on the date of this Draft Prospectus, none of our Group Companies, Subsidiaries or Associate is listed or has made any application for listing on any stock exchange in India or overseas.

### **Performance vis-a-vis objects**

As on the date of this Draft Prospectus, our Company has not made any previous public issue or rights issue in the 10 (ten) years preceding the date of this Draft Prospectus.

Our Company does not have any Group Companies/ Entities or associates or subsidiaries as on the date of this Draft Prospectus.

### **Performance vis-a-vis objects - Last Issue of Subsidiaries/Group/Associate Companies**

Our Company does not have any Subsidiary or Group entity or Associate entity as on the date of this Draft Prospectus.

### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

### **Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

### **Option to Subscribe**

Equity Shares being offered through the Draft Prospectus can be applied for in dematerialized form only.

### **Stock Market Data of the Equity Shares**

This being a public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

## Mechanism for Redressal of Investor Grievances

The Agreement amongst the Registrar to the Offer, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the relevant Designated Branch or the collection centre of the SCSBs where the Application Form was submitted by the ASBA Applicants.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

## Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer for the redressal of routine investor grievances shall be ten (10) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Swati Arora, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

### GlobalSpace Tech Limited

Office No. 605, 6th floor

A-1, B-Wing, Rupa Solitaire Building Millennium Business Park

MIDC, Mahape

Navi Mumbai 400 710, India.

Telephone: +91 22 4945 2014

CIN: U64201MH2010PLC211219

Website: [www.globalspace.in](http://www.globalspace.in)

Email id: [investors@globalspace.in](mailto:investors@globalspace.in)

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 etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

## Status of Investor Complaints

We confirm that we have not received any investor complaint during the three (3) years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

## Disposal of investor grievances by listed Group Companies

We do not have any listed Group company.

## Change in Auditors during the last three (3) years

Name of Auditor	Date of change	Reason
M/s. B. M. Udeshi & Co. Chartered Accountants	August 29, 2014	Resignation
Shivakshar Singh Sisodia	September 18, 2014	Appointment

<b>Name of Auditor</b>	<b>Date of change</b>	<b>Reason</b>
Shivakshar Singh Sisodia	April 2, 2016	Resignation
M/s. Tolia & Associates, Chartered Accountants	June 1, 2016	Appointment

**Capitalization of Reserves or Profits**

Except as disclosed under section titled "Capital Structure" beginning on page 47 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

**Revaluation of Assets**

Our Company has not revalued its assets in five (5) years preceding the date of this Draft Prospectus.

## SECTION VIII: ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being offered are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the abridged prospectus, Application Form, CAN, the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, 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 GoI, the Stock Exchanges, the RoC, the FIPB, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms,*

#### **Authority for the Present Issue**

The present Initial Public Issue of up to 30,34,000 Equity Shares in terms of this Draft Prospectus has been proposed and authorized by the Board of Directors pursuant to a resolution dated November 10, 2016 and by the shareholders pursuant to a special resolution in an Extra Ordinary General Meeting held December 07, 2016 under section 62(1) (c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled "Main Provisions of Articles of Association" beginning on page 217 of this Draft Prospectus.

#### **Mode of Payment of Dividend**

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the previous Companies Act, 1956 and the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by our Board of Directors and approved by our Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, For further details in relation to dividends, please refer to section titled "Dividend Policy" and "Main Provisions of the Articles of Association" beginning on pages 113 and 217 respectively of this Draft Prospectus.

#### **Face Value and Issue Price**

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "Basis for Issue Price" beginning on page 65 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations as amended time to time. 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 of our Company, 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 offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of the Equity Shares, 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 company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/ or consolidation / splitting, etc., please refer to section titled "Main Provisions of Articles of Association" beginning on page 217 of this Draft Prospectus.

#### **Minimum Application Value, Market Lot and Trading Lot**

In terms of section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Draft Prospectus will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **Minimum Number of Allottees**

The minimum number of allottees in the Issue shall be fifty (50) shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

#### **Joint Holders**

Where two (2) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) 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 form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Operation of Subscription List of Public Issue

<b>ISSUE OPENS ON</b>	[●]
<b>ISSUE CLOSSES ON</b>	[●]

### Minimum Subscription

In accordance with Regulation [106P] (1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten. Also, in accordance with explanation to Regulation [106P](1) of SEBI (ICDR) Regulations, the underwriting shall not be restricted to any minimum subscription level. This Issue is 100% underwritten and the details of the same have been disclosed under section titled "General Information" beginning on page 40 of this Draft Prospectus.

As per section 39 of the new Companies Act, if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Offer Document including devolvement of Underwriters within sixty (60) days from the date of closure of the issue, our Company shall forthwith unblocked the entire subscription amount received. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

Further, in accordance with Regulation [106R] of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be fifty (50). In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

Further, in accordance with Regulation [106Q] of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than 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 offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

### Application by Eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs. Such Eligible NRIs, FPIs/FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### As per the extant policy of the Government of India, OCBs cannot participate in this Issue.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("*FDI*") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

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, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside

India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the section titled "Capital Structure" beginning on page 47 of this Draft Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfer and transmission and on their consolidation / splitting of Equity Shares. For further details, please refer to the section titled "Main Provisions of the Articles of Association" beginning on page 217 of this Draft 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 Managers 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 this Draft 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.*

### **Option to receive Equity Shares in Dematerialized Form**

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public offer shall issue securities only in dematerialized form only. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange. Applicants will not have an option of Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act.

### **Migration to Main Board**

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations. Our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of our Company is likely to increase above ₹ 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which our Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

- If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein [●] is the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of three (3) years from the date of listing on the SME Platform of BSE. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to section titled "General Information - Details of the Market Making Arrangements for this Issue" beginning on page 40 of this Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

<b>Issue size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)</b>	<b>Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)</b>
Upto ₹ 20 Crore, as applicable in our case	25%	24%

Further, the Market Maker shall give two (2) way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium , etc. issued by our Company through this issue.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, 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 offered or sold within the United States 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, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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

### ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106M (1) of Chapter XB of the SEBI (ICDR) Regulations, whereby, an issuer whose post issue face value capital does not exceed ten crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("*SME Exchange*", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Issue, please refer to sections titled "Terms of the Issue" and "Issue Procedure" beginning on pages 175 and 182 respectively of this Draft Prospectus.

The present Issue of up to 30,34,000 Equity Shares at a price of ₹[●] aggregating to ₹[●] lakhs by our Company. The issue of Equity Shares will constitute 26.48% of the fully diluted post-issue equity share capital of our Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	Up to 28,80,000 Equity Shares	Up to 1,54,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.92 % of the Issue Size	5.08 % of the 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 "Basis of Allotment" under section titled "Issue Procedure" beginning on page 182 of this Draft Prospectus.	Firm Allotment
<b>Mode of Application</b>	Through ASBA Process Only	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
<b>Minimum Application Size</b>	<b>For Other than Retail Individual Investors:</b>  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹2,00,000.  <b>For Retail Individuals:</b>  [●] Equity Shares at Issue prices of ₹ [●] each.	1,54,000 Equity Shares of Face Value ₹10.00
<b>Maximum Application Size</b>	<b>For Other than Retail Individual Investors:</b>  The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.  <b>For Retail Individuals Investors:</b>  Such number of Equity Shares in multiples of [●] Equity Shares such that the application value does not exceed ₹ 2, 00,000.	1,54,000 Equity Shares of Face Value ₹10.00
<b>Trading Lot</b>	[●] Equity Shares	[●] Equity Shares. However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
<b>Terms of Payment</b>	100%	100%

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. For further details please refer to section titled "Issue Structure" beginning on page 180 of this Draft Prospectus.

\*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as present issue is a fixed price issue 'the allocation' is the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to Retail Individual Investors; and
- b) Remaining to Investors Other than Retail Individual Investors
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

"If the retail individual investor category is entitled to more than fifty per cent (50%) on proportionate basis, the retail individual investors shall be allocated that higher percentage"

#### Withdrawal of the Issue

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

- (i) The final listing and trading approvals of BSE for listing of Equity Shares offered through this Issue on its SME Platform, which the Company shall apply for after Allotment; and
- (ii) The final RoC approval of this Prospectus after it is filed with the RoC.
- (iii) In case, our Company wishes to withdraw the Issue after Issue Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two (2) widely circulated national newspapers (one each in English and Hindi) and one (2) in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through this Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

#### Issue Programme

<b>ISSUE OPENING DATE</b>	[●]
<b>ISSUE CLOSING DATE</b>	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, .On the Issue Closing Date when applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public offerings, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”) **included below under section “-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 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and shall not be liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.

Please note that all the Applicants can participate in the Issue only through the ASBA process. All Applicants shall ensure that the ASBA Account has sufficient credit balance such that the full Application Amount can be blocked by the SCSB at the time of submitting the Application. Applicants applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs.

ASBA Applicants are required to submit ASBA Applications to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by BSE Ltd to act as intermediaries for submitting Application Forms are provided on <http://www.bseindia.com>. For details on their designated branches for submitting Application Forms, please see the above mentioned BSE website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

### PART A

#### FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M) (2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Designated Intermediaries i.e. Self- Certified Syndicate Bank (SCSB) or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. Further the Equity shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

## APPLICATION FORM

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the investors can only apply through ASBA Mode. The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called "**Designated Intermediaries**"):

1. An SCSB, with whom the bank account to be blocked, is maintained
2. 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')
3. A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
4. A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting Intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Draft Prospectus without prior or subsequent notice of such changes to the Applicants.

### Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, (Lead Manager to the Issue, Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. [www.bsesmeindia.com](http://www.bsesmeindia.com)

## Who can apply?

In addition to the category of Applicants as set forth under “*Part B -General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue*” on page 192 of this Draft Prospectus, 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 corporate or foreign individuals only under the Non Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

## Maximum and Minimum Application Size

The applicants in this Offer, being a fixed price, will be categorized into two;

### 1. For Retail Individual Applicants

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs 2,00,000.

### 2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs.2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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.**

## Option to subscribe in the Issue

- a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form. However, they may get the specified securities re-materialized subsequent to allotment.
- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

## Participation by Associates /Affiliates of LM

The LM shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non - Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

**Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

**Applications by eligible NRI's/ FPI's on Repatriation Basis**

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

**As per the current regulations, the following restrictions are applicable for investments by FPIs:**

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where "infrastructure" is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as Infrastructure Finance Companies (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - b) Nothing contained in clause (a) shall apply to:
    - (i) Any transactions in derivatives on a recognized stock exchange;
    - (ii) Short selling transactions in accordance with the framework specified by the Board;
    - (iii) Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - (iv) Any other transaction specified by the Board.
  - c) No transaction on the stock exchange shall be carried forward;
  - d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by

the Board; provided nothing contained in this clause shall apply to:

- (i) Transaction in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
  - (ii) Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (iii) Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
  - (iv) Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
  - (v) Divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
  - (vi) Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
  - (vii) Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (viii) Any other transaction specified by the Board.
- e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form. Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard. No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
- a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
  - b) Such offshore derivative instruments are issued after compliance with "know your client" norms. Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly. Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to offshore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

### **Application by Mutual Funds**

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any 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 Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors**

The 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 offer.

The category I and II AIFs cannot invest more than 25% of the investible funds in one Investee Company. A category III AIF cannot invest more than 10% of the investible funds 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 investible funds by way of subscription to an initial public offer 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.

### **Applications by Limited Liability Partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

### **Applications by Insurance Companies**

In case of applications made by insurance companies registered with IRDA, certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended (the 'IRDA Investment Regulations'), are broadly set forth below:

- (a) *Equity shares of a company*: the lower of 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/ investment assets in case of a general insurer or a reinsurer;

- (b) *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 a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) *The industry sector in which the investee company operates:* not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, 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 points (a), (b) and (c) above, as the case may be.

Insurance companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 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 with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

### **Application by Provident Funds/Pension Funds**

In case of Applications made by provident funds with minimum corpus of Rs. 2500 Lacs (subject to applicable law) and pension funds with minimum corpus of Rs. 2500 Lacs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Draft Prospectus.

## Information for the Applicants

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridge Prospectus and copies of the Prospectus will be available with the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange,
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs) , the relevant SCSB , shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

## Method and Process of Applications

1. Applicants are required to submit their applications during the Issue Period only through the following Application collecting intermediary:
  - a) an SCSB, with whom the bank account to be blocked, is maintained
  - b) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
  - c) a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
  - d) 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)
2. The Issue Period shall be for a minimum of 3 (three) Working Days and shall not exceed 10 (ten) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 (ten) Working Days.

3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

6. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

### Applications by banking companies

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application 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 read with Master Directions – Reserve Bank of India (Financial Services provided by Banks), 2016, is 10% of the paid up capital of a company, not being its subsidiary engaged in non-financial services or 10 per cent of the bank's paid up capital and reserve, whichever is lower. Provided investments in excess of 10% but not exceeding 30% of the paid up share capital of such investee company shall be permissible in the following circumstances:

1. the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act; or
2. the additional acquisition is through restructuring of debt/ Corporate Debt Restructuring (CDR)/Strategic Debt Restructuring (SDR), or to protect the banks' interest on loans/investments made to a company.

Further, the aggregate equity investments made in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

Provided, no bank shall, without the prior approval of RBI, make investment in a non-financial service company in excess of 10% of such investee company's paid up share capital.

### **Applications by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 02, 2013 respectively. Such SCSBs are required to ensure that for making applications on their own account, using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account.

### **Terms of payment**

The entire Issue price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### **Payment mechanism for Applicants**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

*Please note that pursuant to SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in the public issue can only invest through ASBA Mode.*

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post Issue related problems such as non receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

## **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE (SME Platform) where the Equity Shares are proposed to be listed are taken within six working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

## **Impersonation**

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

*"Any person who—*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

*shall be liable for action under Section 447 of Companies Act, 2013."*

## **Undertakings by Our Company**

We undertake as follows:

1. that if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
3. that the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
4. that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date;
5. if 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 ICDR Regulations and applicable law for the delayed period;
6. that funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
7. where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
8. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until

the Application monies are unblocked on account of non-listing, under subscription etc.; and

9. adequate arrangements shall be made to collect all Application Forms submitted by Applicants.

#### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our 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 the 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 SEBI Listing Regulations in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

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 our Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated [●] between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated [●] between CDSL, the Company and the Registrar to the Issue;

The Company's equity Shares bear an ISIN No. [●]

## **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. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue

#### **SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)**

This document is applicable to the public issues undertaken inter-alia through the Fixed Price Issues. The purpose of the *“General Information Document for Investing in Public Issues”* is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (*–SEBI ICDR Regulations, 2009”*).

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set

out in the Prospectus filed by the Issuer with the Registrar of Companies (“**RoC**”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(s)** to the Issue and on the website of Securities and Exchange Board of India (“**SEBI**”) at [www.sebi.gov.in](http://www.sebi.gov.in)

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

## **SECTION 2: BRIEF INTRODUCTION TO IPOS 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 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 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 its specified securities in accordance with provisions of this Chapter.

The present Offer being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

### **2.2 Other Eligibility Requirements**

In addition to the eligibility requirements specified in paragraphs 2.1 an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable (the “Companies Act”), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Applicants may refer to the Prospectus.

### **2.3 Types of Public Issues – Fixed Price Issues and Book Built Issues**

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in this Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## 2.4 Issue Period

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period.

Details of Issue Period are also available on the website of Stock Exchange.

## 2.5 Migration To Main Board

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

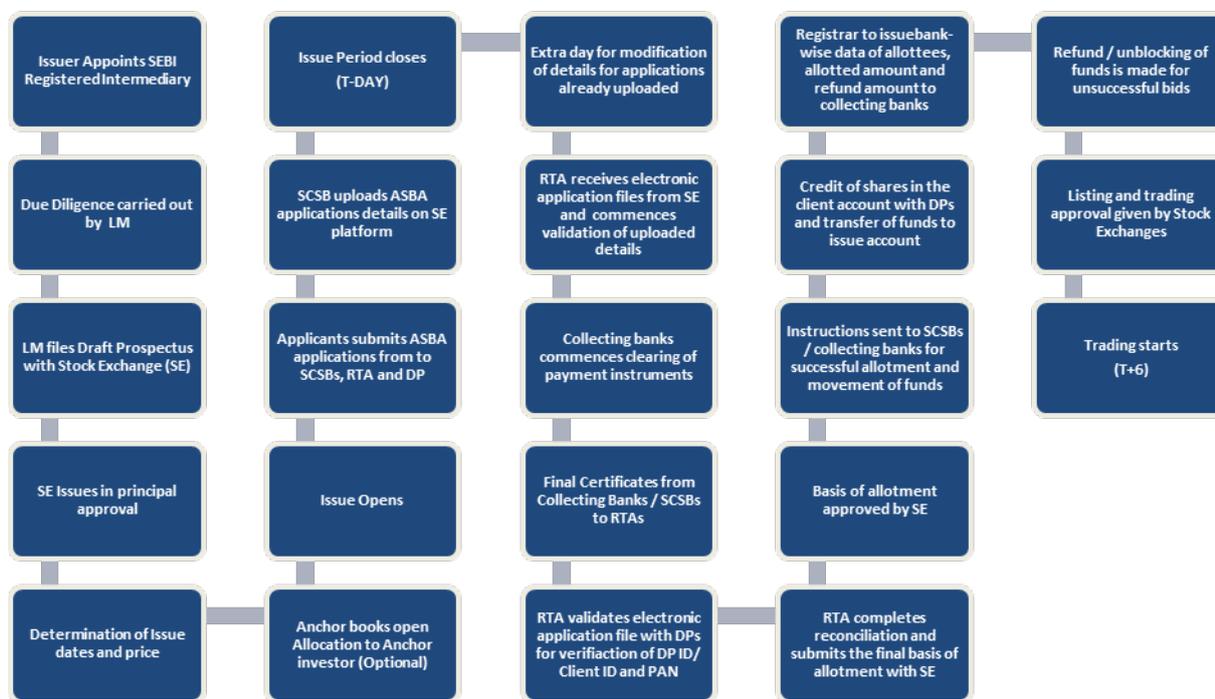
- a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), 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 Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## 2.6 Flowchart Of Timelines

A flow chart of process flow in Fixed Price Issues is as follows:



**SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE**

**Each Applicant should check whether it is eligible to apply under applicable law.**

Furthermore, certain categories of Applicants, such as NRIs, FII’s, 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. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);

- Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs may be considered at par with Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, application under the QIBs category (subject to Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014);
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals applying only under the Non Institutional Investor (“NII”) category;
- FPIs other than Category III foreign portfolio investors Applying under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Applying under the NIIs category;
- Scientific and/or industrial research organisations authorized in India to invest in Equity Shares;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

#### **SECTION 4: APPLYING IN THE ISSUE**

**Fixed Price Issue:** Applicants should only use the specified cum Application Form either bearing the stamp of Designated Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the registered office of the Issuer, and office of the RTA and at the office of the LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

Category	Color of the Application
Resident Indian, Eligible NRIs applying on a non -repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis	Blue

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants 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 Application Form/ Application Form (Fixed Price Issue)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

Application Form – for residents

<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS</b>		
Address : _____	Contact Details: _____	CIN No. _____		
TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE GME ISSUE</b> INE000000000	Bid cum Application Form No. _____		
<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>		<b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b>		
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>		<b>ESCROW BANK/SCSB BRANCH STAMP &amp; CODE</b>		
<b>BANK BRANCH SERIAL NO.</b>		<b>SCSB SERIAL NO.</b>		
<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b>				
Mr. / Ms. _____				
Address _____				
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		<b>6. INVESTOR STATUS</b>		
For NSDL Investor's EgitD ID / ID followed by 3 digit Client ID / For CDSL Investor's EgitD Client ID		<input type="checkbox"/> Individual(s) - IND		
_____		<input type="checkbox"/> Hindu Undivided Family* - HUF		
_____		<input type="checkbox"/> Bodies Corporate - CO		
_____		<input type="checkbox"/> Banks & Financial Institutions - FI		
_____		<input type="checkbox"/> Mutual Funds - MF		
_____		<input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis)		
_____		<input type="checkbox"/> National Investment Fund - NIF		
_____		<input type="checkbox"/> Insurance Funds - IF		
_____		<input type="checkbox"/> Insurance Companies - IC		
_____		<input type="checkbox"/> Venture Capital Funds - VCF		
_____		<input type="checkbox"/> Alternative Investment Funds - AIF		
_____		<input type="checkbox"/> Others (Please specify) - OTH		
_____		<input type="checkbox"/> QIB		
* HUF should apply only through Karva (Application by HUF would be treated on par with Individual)				
<b>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</b>				
Bid Options:	No. of Equity Shares Bid (In Figures) (Must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)		
		Bid Price	Retail Discount    Net Price	
Option 1	_____	_____	_____	
(OR) Option 2	_____	_____	_____	
(OR) Option 3	_____	_____	_____	
<b>5. CATEGORY</b>			<input type="checkbox"/> Retail Investor Bidder	
			<input type="checkbox"/> Non-Institutional Bidder	
			<input type="checkbox"/> QIB	
<b>7. PAYMENT DETAILS</b>			<b>PAYMENT OPTION : FULL PAYMENT</b> <input type="checkbox"/> <b>PART PAYMENT</b> <input type="checkbox"/>	
Amount paid (₹ in figures) _____ (₹ in words) _____				
ASBA Bank A/c No. _____				
Bank Name & Branch _____				
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABBREVIATED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF				
<b>8A. SIGNATURE OF SOLE / FIRST BIDDER</b>		<b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>		
_____		I/We authorize the SCSB to do all acts as may necessary to make the Application in the line		
Date : _____		1) _____		
		2) _____		
		3) _____		
			<b>BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b>	
TEAR HERE				
LOGO	<b>XYZ LIMITED</b> <b>INITIAL PUBLIC ISSUE - R</b>	<b>Acknowledgement Slip for Broker/SCSB/DP/RTA</b>	Bid cum Application Form No. _____	
DPID / CLID	_____	_____	PAN of Sole / First Bidder _____	
Amount paid (₹ in figures)	_____	Bank & Branch	Stamp & Signature of SCSB Branch	
ASBA Bank A/c No.	_____	_____	_____	
Received from Mr./Ms.	_____	_____	_____	
Telephone / Mobile	_____	Email	_____	
TEAR HERE				
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	No. of Equity Shares	Option 1	Option 2	Option 3
	Bid Price	_____	_____	_____
	Amount Paid (₹)	_____	_____	_____
	ASBA Bank A/c No.	_____		
	Bank & Branch	_____		
Stamp & Signature of Broker / SCSB / DP / RTA				Name of Sole / First Bidder _____
<b>Acknowledgement Slip for Bidder</b>				Bid cum Application Form No. _____

Application Form – for non-residents

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">TEAR HERE</p>	<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b> Address : _____ Contact Details: _____ CIN No _____	For Eligible NRI, FI, FVCI, applying on Restriction Basis
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">PLEASE FILL IN BLOCK LETTERS</p>	LOGO <b>TO, THE BOARD OF DIRECTORS XYZ LIMITED</b>	FIXED PRICE GME ISSUE INE000000000	Bid cum Application Form No. _____
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">TEAR HERE</p>	SYNDICATE MEMBER'S STAMP & CODE SUB-BROKER'S / SUB-AGENT'S STAMP & CODE BANK BRANCH SERIAL NO.	BROKER/SCSB/DP/RTA STAMP & CODE BROKER BANKING BRANCH STAMP & CODE SCSB SERIAL NO.	<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b> Mr / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">TEAR HERE</p>	<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>5. CATEGORY</b> <input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">TEAR HERE</p>	<b>6. Investor Status</b> <input type="checkbox"/> Non-Resident Indian (Residential basis) NRI <input type="checkbox"/> Foreign Institutional Investor FI <input type="checkbox"/> Foreign Venture Capital Investor FVCI <input type="checkbox"/> FI Sub Account Corporate/Individual FI SA <input type="checkbox"/> Others (Please Specify) OTH	<b>7. PAYMENT DETAILS</b> <span style="float: right;">PAYMENT OPTION : FULL PAY</span> Amount paid (₹ in figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____	I/WE HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ANNEXURE PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (GID) AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERSTANDING" AS GIVEN OVERLEAF I/WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">TEAR HERE</p>	<b>8A. SIGNATURE OF SOLE / FIRST BIDDER</b> _____ Date : _____	<b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)</b> (AS PER BANK RECORDS) I/We authorize the ICSE to debit my/our account to meet the Application in the line: 1) _____ 2) _____ 3) _____	<b>BROKER / SCSB / DP / RTA STAMP</b> (Acknowledging upload of Bid in Stock Exchange system)
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">TEAR HERE</p>	LOGO <b>XYZ LIMITED</b> <b>INITIAL PUBLIC ISSUE - NR</b>	<b>Acknowledgement Slip for Broker/SCSB/DP/RTA</b>	Bid cum Application Form No. _____ PAN of Sole / First Bidder _____
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">TEAR HERE</p>	DPID / CIN No. _____ Amount paid (₹ in figures) _____ Bank & Branch _____ ASBA Bank A/c No. _____ Received from Mr/Ms. _____ Telephone / Mobile _____ Email _____	Stamp & Signature of SCSB Branch _____	Stamp & Signature of Broker / SCSB / DP / RTA _____ Name of Sole / First Bidder _____
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">TEAR HERE</p>	<b>9. ACKNOWLEDGEMENT SLIP FOR BIDDER</b> No. of Equity Shares _____ Bid Price _____ Amount Paid (₹) _____ ASBA Bank A/c No. _____ Bank & Branch _____	Stamp & Signature of Broker / SCSB / DP / RTA _____	Bid cum Application Form No. _____

#### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST APPLICANT

- a) Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- b) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications(including letters notifying the unblocking of the bank accounts of \Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- c) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Bid cum Application Form/Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who:*

- *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.*

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

#### 4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST APPLICANT

- a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (—PAN Exempted Applicants). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. A Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

- d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

#### 4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

#### 4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

- a) The Issuer may mention Price in the Draft Prospectus. However a Prospectus registered with RoC contains one price.
- b) Minimum and Maximum Application Size
  - i **For Retails Individual Applicants**

The Application must be for a minimum of [●] equity shares. As the application price payable by the retail individual applicants cannot exceed Rs. 200000 they can make Application for only minimum Application size i.e for [●] equity shares.
  - ii **For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of equity shares such that the Application Amount exceeds Rs. 200000 and in multiples of [●] equity shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision of Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of equity shares that can be held by them under prescribed law or regulation or as specified in this Draft Prospectus.
- c) **Multiple Applications:** An applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- d) Applicants are requested to note the following procedures may be followed by the Registrar to the issue to detect multiple applications:
  - i All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and PFI sub-accounts, applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
  - ii For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

- e) The following applications may not be treated as multiple applications:
  - i) Application by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
  - ii) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Application clearly indicates the scheme for which the application has been made.
  - iii) Application by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs, and DP IDs.

#### **4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- a) The categories of Applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, Individual applicants other than RIIs, and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- b) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation Applicant may refer to the Prospectus.

#### **4.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- b) Certain categories of Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- d) Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 FIELD NUMBER 7: PAYMENT DETAILS**

- a) All Applicants are required to use ASBA facility to block the full Amount (net of any Discount, as applicable) along with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the funds shall be blocked for Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- b) All categories of investors can participate in the Issue only through ASBA mechanism.
- c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

##### **4.1.7.1 Payment instructions for Applicants**

- a) Applicants may submit the Application Form either in physical mode or online mode to any Designated Intermediaries.
- b) Applicants should specify the Bank Account number in the Application Form. The application form submitted by an applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- c) Applicant should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- d) Applicant 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 Application Forms can be submitted.
- f) Applicants applying through a Registered Broker, RTA or CDP should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Application Forms.
- g) ASBA Applicant applying directly through the SCSBs should ensure that the Application Form is submitted to Designated Branch of a SCSB where the ASBA Account is maintained.
- h) Upon receipt of Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- i) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form may upload the details on the Stock Exchange Platform.
- j) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- k) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- l) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- m) SCSBs applying in the Issue must apply through an Account maintained with any other SCSB; else their Application is liable to be rejected.

#### **4.1.8 Unblocking of ASBA Account**

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted, if any, against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ non allotment / partial allotment ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs to unblock the respective bank accounts.
- b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

In the event of withdrawal or rejection of the Application Form and for unsuccessful Application, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

##### **4.1.8.1 Discount (if applicable)**

- a) The Discount is stated in absolute rupee terms.
- b) RII, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the Prospectus.
- c) For the Applicants entitled to the applicable Discount in the Issue the Application Amount less Discount (if applicable) shall be blocked.

#### 4.1.8.2 Additional Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Application by NRIs applying on a repatriation basis, blocking of funds in their NRO account shall not be accepted.

#### 4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorization has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form.
- d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

#### 4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Application Form.

- a) All communications in connection with Applications 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, unblocking of funds, the Applicants should contact the Registrar to the Issue.
  - ii In case of Applications submitted to the Designated Branches of the SCSBs or Registered Brokers or Registered RTA/DP, the Applicants should contact the relevant Designated Branch of the SCSB or Registered Brokers or Registered RTA/DP, as the case maybe.
  - iii Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- b) The following details (as applicable) should be quoted while making any queries –
  - i Full name of the sole or Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
  - ii Name and address of the Designated Intermediary, where the Application was submitted; or
  - iii In case of ASBA Applications, ASBA Account number in which the amount equivalent to the Application Amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

#### 4.2 INSTRUCTIONS FOR FILING THE REVISIONFORM

- a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application upwards) who has registered his or her interest in the Equity Shares at a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b) RII may revise their applications till closure of the issue period or withdraw their applications until finalization of allotment.
- c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- d) The Applicant can make this revision any number of times during the Issue Period.

However, for any revision(s) in the Application, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:



#### 4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

#### 4.3 SUBMISSION OF REVISION FORM/APPLICATION FORM

Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investor Applications	To the Designated Intermediaries

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode respectively

### SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

#### 5.1 Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form. Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Designated Intermediary. Applicants may submit an Application Form either in physical/ electronic form to Designated Intermediaries or the Designated Branches of the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form only ('ASBA Account'). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

#### 5.2 GROUNDS FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:-

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [•];
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and Prospectus as per the instructions in the Prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or 'qualified institutional buyers' as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;

- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Application or revision thereof by QIB Applicants , Non Institutional Applicants where the Application Amount is in excess of Rs. 200000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by BSE;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form; and
- Details of ASBA Account not provided in the Application form.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID.

**APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

This being the Fixed Price Issue this section is not applicable for this Issue.

#### **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

##### **7.1 Basis of Allotment**

Allotment will be made in consultation with BSE (SME Platform) (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- 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 over subscription ratio (number of applicants in the category x number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants 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 applications where the proportionate allotment works out to less than [●] Equity Shares the allotment will be made as follows:
  - i Each successful applicant shall be allotted [●] Equity Shares;
  - ii The successful applicants out of the total applicants for that category shall be determined by the drawal 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 (2) above.
- d) If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity Shares, the applicant would be allotted Shares by rounding off to the lower 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 applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
  - i As per Regulation 43(4) of the SEBI (ICDR) Regulations, as the Retail Individual Investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher

- percentage.
- ii Remaining to Individual applicants other than retail individual investors and Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.
- iii The unsubscribed portion in either of the categories specified in (a) or (b) above may be available for allocation to the applicants 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 SME Platform of BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to 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, 2009.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non Residents, NRIs, FPIs and foreign venture capital funds and all Non Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

## 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. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within 5 Working Days of the Issue Closing 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 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 Issue Closing Date.

### 8.2 GROUNDS FOR UNBLOCKING OF FUNDS

#### 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 finalized.

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 initiate action to unblock the application amount from the Investors accounts.

If such money is not repaid within the 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 Companies Act, and disclosed in the Prospectus.

### 8.2.2 Minimum Subscription

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

As per Section 39 of 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 our company does not receive the 100% subscription of the offer through the Offer Document including devolvement of underwriters , if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblocked the entire application amount received. If there is a delay beyond eighty 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 SEBI Regulations, the Companies Act, 2013.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50 no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked within 6working days of closure of the issue.

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.100000/- (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 offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

### 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 unblocked forthwith.

### 8.3 Mode of Unblocking of Funds

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

#### 8.3.1 Mode of making refunds for Applicants

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 applications or in the event of withdrawal or failure of the Issue.

### 8.4 Interest In Case Of Delay in Allotment

The Issuer may pay interest at the rate of 15% per annum if demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 working days from the 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.*

<b>Term</b>	<b>Description</b>
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges

<b>Term</b>	<b>Description</b>
Application	An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Applicants to make a Application authorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Applicant	Prospective Applicants in the Issue who apply through ASBA
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid	An indication to make an offer during the Issue Period by a prospective Applicant pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto.
Issue Closing Date	The date after which the SCSBs may not accept any application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date
Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Application, inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Application Amount	The value indicated in the Application Form and payable by the Applicant upon submission of the Application (except for Anchor Investors), less discounts (if Applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Draft Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes an Application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to an Applicant should be construed to mean an Applicant
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid	An indication to make an offer during the Issue Period by a prospective Applicant pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto.
Issue Closing Date	The date after which the SCSBs may not accept any application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Closing Date

<b>Term</b>	<b>Description</b>
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date
Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Application, inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Application Amount	The value indicated in the Application Form and payable by the Applicant upon submission of the Application (except for Anchor Investors), less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Draft Prospectus, whether applying through the ASBA or otherwise.
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009,
Broker Centres	Broker centres notified by the Stock Exchanges, where Applicants can submit the Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Prospectus and the Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
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
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a> .
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>

Term	Description
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated Date	The date on or after which funds are transferred by the SCSBs to the Public Issue Account of the Issuer.
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Prospectus of the Issuer
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	This Draft Prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price
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 promoter. For further details Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
First Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account

<b>Term</b>	<b>Description</b>
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Applied for Equity Shares for an amount of more than Rs. 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 Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs and FVCIs
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalize the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 32 of the Companies Act, 2013 read with section 26 of Companies Act 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTA	Registrar to the Issue and Share Transfer Agent
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than Rs. 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than Rs. 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992

<b>Term</b>	<b>Description</b>
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <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>
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/ SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Application from ASBA Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated entered into between the Underwriters and our company.
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in India are open for business, provided however, with reference to announcement Issue Period, 'Working Days' shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"), issued the Consolidated FDI Policy, which with effect from May 12, 2015, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on May 12, 2015. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

As per the existing policy of the GoI, OCBs cannot participate in the Issue.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.**

Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Prospectus as "U.S. QIBs" pursuant to the private placement exemption set out in Section 4(a)(2) of the Securities Act; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Prospectus as "QIBs"), in transactions exempt from the registration requirements of the Securities Act and (b) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Apply for do not exceed the applicable limits under laws or regulations.**

## SECTION IX: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

*Capitalised terms used in this section have the meaning given to such terms in the Articles of Association of the Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI (ICDR) Regulations, the main provisions of the Articles of Association of the Company are detailed below:*

### CAPITAL AND INCREASE AND REDUCTION THEREOF

3. The Authorised Share Capital of the Company is such amount, as stated, for the time being, or may be varied, from time to time, under the provisions of the Act, in the Clause V of the Memorandum of Association of the Company, divided into such number, classes and descriptions of Shares and into such denominations, as stated therein, and further with such powers to increase the same or otherwise as stated therein. The paid-up Share Capital of the Company shall be, at any time, an amount of not less than ₹ 5,00,000/- (Rupees Five Lakhs Only) or such other amount, as may, from time to time, be prescribed under the Act.
4. The Company, in general meeting, may, from time to time, increase the capital by the creation of new shares. Such increase in the capital shall be of such aggregate amount and to be divided into such number of Shares of such respective amounts, as the resolution, so passed in that respect, shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting, resolving upon the creation thereof, shall direct, and, if no direction be given, as the Directors shall determine, and, in particular, such Shares may be issued with a preferential, restricted or qualified right to dividends, and in the distribution of assets of the Company, on winding up, and with or without a right of voting at general meetings of the Company, in conformity with and only in the manner prescribed by the provisions of the Act. Whenever capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the applicable provisions of the Act.
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 contained herein with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting or otherwise.
6. Subject to the provisions of Section 55 of the Act and the rules made thereunder, the Company shall have the power to issue preference shares, which are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
7. On the issue of Redeemable Preference Shares under the provisions of the preceding Article, the following provisions shall take effect :-
  - (a) No such Shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of Shares made for the purpose of the redemption.
  - (b) No such shares shall be redeemed unless they are fully paid;
  - (c) The premium, if any, payable on redemption, must have been provided for, out of the profits of the Company or the Share Premium Account of the Company before, the Shares are redeemed; and
  - (d) Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called "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 80 of the Act, apply as if "Capital Redemption Reserve Account" were paid up Share capital of the Company.
8. Subject to Section 100 of the Companies Act, 1956 and Section 66 of the Companies Act, 2013 as and when notified the Company may by special resolution, reduce its capital and any Capital Redemption Reserve Account or Other Premium Account, for the time being, in any manner, authorised by law, and, in particular, without prejudice to the generality of the foregoing powers, the 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.
9. Subject to the applicable provisions of the Act, the Company, in general meeting, may, from time to time, sub-divide, reclassify or consolidate its Shares or any of them, and the resolution whereby any Share is sub-divided, may determine that, as between the holders of the Shares resulting from such sub-division, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. 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.

10. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the applicable provisions of the Act, be modified, commuted, affected or abrogated, or dealt with by an agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified, in writing, by holders of at least three-fourths in nominal value of the issued Shares of the class or is confirmed by a special resolution passed at a separate general meeting of the holders of Shares of that class and all the provisions hereinafter contained as to general meetings, shall, mutatis mutandis, apply to every such meeting.

### SHARES AND CERTIFICATES

11. The Company shall keep or cause to be kept a Register and Index of Members, in accordance with the applicable Sections of the Act. The Company shall be entitled to keep, in any State or Country outside India, a Branch Register of Members, in respect of those residents in that State or Country.
12. The Shares, in the capital, shall be numbered progressively according to their several classes and denominations, and, except in the manner hereinabove mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share may continue to bear the number by which the same was originally distinguished with, or as may be otherwise, as may be decided by the Board of Directors or required by any other authority, as may be, for the time being, in force.
13. (1) Where at the time, it is proposed to increase the subscribed capital of the Company by allotment of further Shares either out of the unissued or out of the increased Share capital then :
- (a) Such further Shares shall be offered to the persons who at the date of the offer, are holders of the Equity Shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those Shares at that date.
  - (b) Such offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen days and not exceeding thirty days from the date of the offer within which the offer if not accepted, will be deemed to have been declined.
  - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right provided that the Directors may decline, without assigning any reason to allot any Shares to any person in whose favour any member may, renounce the Shares offered to him.
  - (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.
- (2) Notwithstanding anything contained in sub-clause (1) thereof, the further Shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a Registered Valuer subject to such conditions prescribed in the rules made thereunder.
- (3) Nothing in sub-clause (c) of (1) hereof shall be deemed:
- (a) To extend the time within the offer should be accepted; or
  - (b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the remuneration was first made has declined to take the Shares comprised in the renunciation.
- (4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the Debenture issued or loans raised by the Company to convert such Debenture or loans into Shares in the Company

PROVIDED THAT the terms of issue of such Debentures or the terms of such loans loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.

14. Subject to the provisions of Section 62 of the Companies Act, 2013 and the rules made thereunder and these Articles of the Company for the time being shares 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 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. Provided that opinion or right to call of Shares shall not be given to any person or

persons without the sanction of the Company in the General Meeting. The Board shall cause to be filed the returns as to allotment as may be prescribed from time to time.

15. In addition to and without derogating from the powers for that purpose conferred on the Board under the preceding two Articles, the Company, in general meeting, may determine that any Shares, whether forming part of the original capital or of any increased capital of the Company, shall be offered to such persons, whether or not the members of the Company, in such proportion and on such terms and conditions and, subject to compliance with the provisions of applicable provisions of the Act, either at a premium or at par, as such general meeting shall determine and with full power to give any person, whether a member or not, the option to call for or be allotted Shares of any class of the Company either, subject to compliance with the applicable provision of the Act, at a premium or at par, such option being exercisable at such times and for such consideration as may be directed by such general meeting, or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any Shares.
16. Any application signed by or on behalf of an applicant for subscription for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles, and every person, who, thus or otherwise, accepts any Shares and whose name is entered on the Register shall, for the purpose of these Articles, be a member.
17. 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 immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly, in the manner prescribed by the Board.
18. Every member or his heirs, executors or administrators, 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 Regulations of the Company, require or fix for the payment thereof.
19. (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 the Directors may from time to time determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates within two (2) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one (1) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every 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 Share holders. 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 power of attorney and the Secretary or some other person appointed by the Board for the purpose, and such two Directors or their attorneys, and the Secretary or other person shall sign the Share Certificates, provided that, if the composition of the Board permits, provided that, of it, at least one of the aforesaid two Directors shall be a person other than Managing Director or a Wholetime Director. Particulars of every Share certificates 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.  
  
(b) Any two or more joint allottees, in respect of a Share, shall, for the purpose of this Article, be treated as a single member, and the certificate of any Share, which may be subject of joint ownership, may be delivered to the person named first in the order or otherwise even to any one 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 Rupee 50(fifty) per such certificate. In this respect, the Company shall comply with the applicable provisions, for the time being, in force, of the Act.  
  
(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 Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.
20. (a) The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to receive from any member willing to advance the same, all or any part of the amount of his Shares beyond the sums actually called up and upon the monies so paid in advance or upon so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advances has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not

confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The member shall not be entitled to any 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 these Articles shall mutatis mutandis apply to the calls on Debentures of the Company

(b) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of Share Certificate No..... sub-divided/replaced/on consolidation of Shares".

(c) 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 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, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificates 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/- (Fifty) for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding 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.

(d) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "DUPLICATE. Issued in lieu of Share Certificate No. ...." The word "DUPLICATE" shall be stamped or punched in bold letters across the face of the Share certificate.

(e) Where a new Share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such Share certificate shall be entered in a Register of Renewed and Duplicate Share Certificates, indicating against the names of the person or persons to whom the certificate is issued, the number and date of issue of the Share certificate, in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.

(f) All blank forms to be issued for issue of Share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively numbered, whether by machine, hand or otherwise, and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary, where there is no Secretary, the Managing Director or Whole time Director, and where there is no such director, the Chairman of the Board, for the time being, or otherwise of such other person, as the Board may appoint for the purpose, and the Secretary, such director, Chairman or such other person shall be responsible for rendering an account of these forms to the Board.

(g) The Managing Director of the Company, for the time being, or, if the Company has no Managing Director, every director of the Company shall be severally responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of Share certificates except the blank forms of Share certificates referred to in Clause (f) of this Article.

(h) All books referred to in clause (g) of this Article shall be preserved in good order permanently, or for such period as may be prescribed by the Act or the Rules made thereunder.

21. If any Share stands in the names of two or more persons, the person first named, in the Register, shall, as regards receipt of dividends or bonus or service of notices and all or any matter connected with the Company, except voting at meetings and the transfer of the Shares, be deemed the sole holder thereof but the joint holders of a Share shall be severally as well as jointly liable for the payment of all installments of calls due in respect of such Share and for all incidents otherwise.
22. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any Share, or, except only as is, by these presents, 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 their sole discretion, to register any Share in the joint names of any two or more persons or the survivor or survivors of them.
23. Subject to the provisions of Sections 68 to 70 of the Act 2013 and the rules thereunder, the Company may purchase its own Shares or other specified securities out of free reserves, the securities premium account or the proceeds of issue of any Share or specified securities.
24. Subject to the provisions contained in sections 68 to 70 and all applicable provisions of the Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including the Securities and Exchange Board of India and the Reserve Bank of India, if any, the Company may, by passing a special resolution at a general meeting, purchase its own Shares or other specified securities (hereinafter referred to as 'buy-back') from its existing Shareholders on a proportionate basis and/or from the open market and/or from the lots smaller than market lots

of the securities (odd lots), and/or the securities issued to the employees of the Company pursuant to a scheme of stock options or sweat Equity, from out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, on such terms, conditions and in such manner as may be prescribed by law from time to time; provided that the aggregate of the securities so bought back shall not exceed such number as may be prescribed under the Act or Rules made from time to time.

### COMMISSION AND BROKERAGE

25. Subject to the provisions of Section 40 of the Act 2013 and the rules thereof, the Company may, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Shares in or Debentures of the Company or procuring or agreeing to procure the subscribers, whether absolutely or conditional, for any Shares in or Debentures of the Company, but so that the commission shall not exceed, in the case of Shares, five per cent of the price at which the Shares are issued and, in the case of Debentures two and half per cent of the price at which the Debentures are issued, and such commission may be satisfied in any such manner, including the allotment of the Shares or Debentures, as the case may be, as the Board thinks fit and proper.
26. Subject to the provisions of the Act, the Company may pay a reasonable sum for brokerage.

### CALLS

27. 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 only at a duly constituted meeting of the Board, make such call, as it thinks fit, upon the members in respect of all 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 person or persons and at the times and places appointed by the Board. A call may be made payable by instalments.
28. At least 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 be paid.
29. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board.
30. 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 whom owing to their residence at a distance or other cause, 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.
31. A call may be revoked or postponed at the discretion of Board.
32. The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
33. If any members 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, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
34. Any sum, which, by the terms of issue of a Share, becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and, in the case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply, as if such sum had become payable by virtue of a call duly made and notified.
35. On the trial or hearing of any action or suit brought by the Company against any member or his representative for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the member, in respect of whose Shares the money is sought to be recovered, appears or is 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 Shares in respect of which money is sought to be recovered, and that the resolution making the call is duly recorded in the minute book, and that notice, of which call, was duly given to the member or his representatives and used in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call, and not that a quorum of Directors was present at the meeting of the Board at which any call was made, and nor that the meeting, at which any call was made, has duly been convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.

36. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.
37. (a) The Board may, if it thinks fit, agree to and receive from any member willing to advance the same all or any part of the amounts of his respective Shares beyond the sums 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 agrees upon, subject to the provisions of the Act. 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 3 (Three) months' notice, in writing, provided that moneys paid, in advance of calls, on any Shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (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.

#### **LIEN**

38. 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 Shares 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 all 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.
39. For the purpose of enforcing such lien, the Board may sell the Shares, subject thereto, in such manner, as it shall think fit, and, for that purpose, may cause to be issued a duplicate certificate in respect of such Shares, and may authorise one of their members to execute a transfer thereof, on behalf of and in the name of such manner. 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 his representatives and the default, whether express or implied, shall have been made by him or them in payment, fulfilment or discharge of such debts, liabilities or engagements, for such further days allowed, after the service of such notice, and stated therein.
40. 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 a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the persons entitled to the Shares at the date of the sale.

#### **FORFEITURE OF SHARES**

41. If any member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
42. The notice shall name a day, not being less than 14 (Fourteen) days from the date of the notice, and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state, that, in the event of the non-payment at or before the time and at the place appointed, the Shares, in respect of which the call was made or instalment is payable, will be liable to be forfeited.
43. 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, before payment of all calls or instalments, interest and expenses, as may be due in respect thereof, be forfeited by a resolution of the Board to that effect. Subject to the provisions of the Act, such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
44. When any Share shall have been so forfeited, notice of the forfeiture shall be given to the member, in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall, forthwith, be made in

- the Register of Members. But no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
45. Any Share, so forfeited, shall be deemed to be the property of the Company, and may be sold, reallocated or otherwise disposed off, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.
46. Any member, whose Shares have been forfeited, shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand, all calls, instalments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereof, until payment, at such rate, as the Board may determine, and the Board may enforce the payment thereof, if it thinks fit.
47. The forfeiture of a Share shall involve extinction, at the time of the forfeiture, of all interests in and all claims and demands against the Company, in respect of such Share and all other rights, incidental to the Share, except only such of those rights as by these presents are expressly saved.
48. A declaration, in writing, that the declarant is a director or Secretary of the Company and that a Share in the Company has duly been 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.
49. 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, in respect of the Shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and, after his name has been entered in the Register, in respect of such Shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and exclusively against the Company and no one else.
50. Upon any sale, 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 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.

#### **TRANSFER AND TRANSMISSION OF SHARES**

51. The Company shall keep the "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any Share.
52. No transfer shall be registered, unless a proper instrument of transfer has been delivered to the Company. Every instrument of transfer shall be duly stamped, under the relevant provisions of the Law, for the time being, in force, and shall be signed by or on behalf of the transferor and the transferee, and in the case of a Share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint holders or by all such joint transferees, as the case may be, and the transferor or the transferors, as the case may be, shall be deemed to remain the holder or holders of such Share, until the name or names of the transferee or the transferees, as the case may be, is or are entered in the Register of Members in respect thereof. Several executors or administrators of a deceased member, proposing to transfer the Share registered in the name of such deceased member, or the nominee or nominees earlier appointed by the said deceased holder of Shares, in pursuance of the Article 73, shall also sign the instrument of transfer in respect of the Share, as if they were the joint holders of the Share.
53. Shares in the Company may be transferred by an instrument, in writing, in the form, as shall, from time to time, be approved by the Directors provided that, if so required by the provisions of the Act, such instrument of Transfer shall be in the form prescribed thereunder, and shall be duly stamped and delivered to the Company within the prescribed period. All the provisions of Section 56 of the Companies Act, 2013 shall be duly complied with in respect of all transfers of Shares and registration thereof.
54. The Board shall have power, on giving 7 (Seven) days' previous notice, by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is, for the time being, situated, to close the transfer books, the Register of Members of Register of Debenture holders, at such time or times and for such periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may seem expedient.
55. Subject to the provisions of Section 58 and 59 of the Companies Act 2013, these Articles Section 22A of the Securities Contract (Regulation) Act, 1956 and any other applicable provisions of the Act or any other law for the time being in force, the Board may, refuse, whether in pursuance of any power of the Company under these Articles or otherwise, to

register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a member in, or Debentures of the Company, the Board shall within one month from the date on which the instrument of transfer, or the intimation of such transmission as the case may be, was delivered to the Company, send to the transferee and transferor or to the person giving intimation of such transmission, as the case may be, notice of the refusal to register such transfer, giving reasons for such refusal provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the Shares. Transfer of Shares/Debentures in whatever lot shall not be refused.

56. An application for the registration of a transfer of Shares in the Company may be made either by the transferor or the transferee. Where such application is made by a transferor and relates to partly paid Shares, the Company shall give notice of the application to the transferee. The transferee may, within two weeks from the date of the receipt of the notice and not later, object to the proposed transfer. The notice to the transferee shall be deemed to have been duly given, if despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered at the time when it would have been delivered in the ordinary course of post.
57. In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him jointly with any other person.
58. Subject to the provisions of Article 72 hereunder, the executors or administrators or holders of a such Succession Certificate or the legal representative of a deceased member, not being one of two or more joint holders, shall be the only persons recognised by the Company as having any title to the Shares registered in the name of such member, and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives, unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India, provided that, in cases, the Board may dispense with production of probate or letters of Administration or Succession Certificate upon such terms as to indemnify or otherwise, as the Board, in its absolute discretion, may think necessary, in the circumstances thereof, and, in pursuance of the Article 61 hereunder, register the name of any person, who claims to be absolutely entitled to the Shares standing in the name of a deceased member, as a member.
59. No Share shall, in any circumstances, be transferred to any infant, insolvent or person of unsound mind, and that no Share, partly paid up, be issued, allotted or transferred to any minor, whether alone or along with other transferees or allottees, as the case may be.
60. So long as the director having unlimited liability has not discharged all liabilities, whether present or future, in respect of the period for which he is and continues to be, so long, liable, he shall not be entitled to transfer the Shares held by him or cease to be a member of the Stock Exchange(s) to the end and intent that he shall continue to hold such minimum number of Shares as were held by him prior to his becoming a director with unlimited liability.
61. Subject to the provisions of Articles 57, 58 and 72 hereof, any person becoming entitled to Shares in consequences of the death, lunacy, bankruptcy or insolvency of any member, or the marriage of any female member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Board, which it 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 the Article or of his title, as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person, nominated by him and approved by the Board, registered as such person, provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein to in these Articles as “The Transmission Article”.
62. Subject to the provisions of the Act, a person entitled to a Share by transmission shall, subject to the right of the Directors to retain such dividend or money as hereinafter provided, be entitled to receive and may be given a discharge for, any dividends or other moneys payable in respect of the Share.
63. No fees shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar document.
64. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof, as shown or appearing in the Register of Members, to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting of such transfer, and may have entered such notice, referred thereto, in any book of the Company, and the

Company shall not be bound or required to regard or attend or give effect any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever 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 Board shall so think fit.

- 64A. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its Securities and to offer Securities in a dematerialized form pursuant to the Depositories Act, 1996.
- 64B. Every holder of or subscriber to Securities of the Company shall have the option to receive Security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted by law, in respect of any Security in the manner provided by the Depositories Act, 1996 and the Company shall in the manner and within the time prescribed, issued to the beneficial owner the required Certificates for the Securities. If a person opts to hold its Security with a Depository, the Company shall intimate such Depository the details of allotment of the Security.
- 64C. All Securities of the Company held by the Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 186 of the Act 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.
- 64D. (i) Notwithstanding anything to the contrary contained in the Act, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (i) above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
- (iii) Every person holding Securities of the Company and whose name is entered as the beneficial owner in the record of the Depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a Depository.

#### **CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

65. The Company, by resolution in general meeting, may convert any paid up Shares into stock, or may, at any time, reconvert any stock into paid up Shares of any denomination. When any Shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interest, in the same manner and, subject to the same regulations as to which Shares in the Company may be transferred or as near thereto as circumstances will admit. But the Directors may, from time to time, if they think fit, fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum, but with full power nevertheless, at their discretion, to waive such rules in any particular case. The notice of such conversion of Shares into stock or reconversion of stock into Shares shall be filed with the Registrar of Companies as provided in the Act.
66. The Stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and, for other purposes, as would have been conferred by Shares of equal amount in the capital of the Company of the same class as the Shares from which such stock was converted but no such privilege or advantage, except the participation in profits of the Company, or in the assets of the Company on a winding up, shall be conferred by any such aliquot part or, consolidated stock as would not, if existing in Shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privilege attached to the Shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to Shares and the words "Share" and "Shareholder" in these presents shall include "stock" and "stock-holder".
67. The Company may issue Share warrants in the manner provided by the said Act and accordingly the Directors may, in their discretion, with respect to any fully paid up Share or stock, on application, in writing, signed by the person or all persons registered as holder or holders of the Share or stock, and authenticated by such evidence, if any, as the Directors may, from time to time, require as to the identity of the person or persons signing the application, and on receiving the certificate, if any, of the Share or stock and the amount of the stamp duty on the warrant and such fee as the Directors may, from time to time, prescribe, issue, under the Seal of the Company, a warrant, duly stamped, stating that the bearer of the warrant is entitled to the Shares or stock therein specified, and may provide by coupons or otherwise for the payment of future dividends, or other moneys, on the Shares or stock included in the warrant. On the issue of a Share warrant the names of the persons then entered in the Register of Members as the holder of the Shares or stock specified in the warrant shall be struck off the Register of Members and the following particulars shall be entered therein.

- (i) fact of the issue of the warrant.
  - (ii) a statement of the Shares or stock included in the warrant distinguishing each Share by its number, and
  - (iii) the date of the issue of the warrant.
68. A Share warrant shall entitle the bearer to the Shares or stock included in it, and, notwithstanding anything contained in these articles, the Shares or stock shall be transferred by the delivery of the Share-warrant, and the provisions of the regulations of the Company with respect to transfer and transmission of Shares shall not apply thereto.
69. The bearer of a Share-warrant shall, on surrender of the warrant to the Company for cancellation, and on payment of such fees, as the Directors may, from time to time, prescribe, be entitled, subject to the discretion of the Directors, to have his name entered as a member in the Register of Members in respect of the Shares or stock included in the warrant.
70. The bearer of a Share-warrant shall not be considered to be a member of the Company and accordingly save as herein otherwise expressly provided, no person shall, as the bearer of Share-warrant, 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 of meetings or otherwise, or qualified in respect of the Shares or stock specified in the warrant for being a director of the Company, or have or exercise any other rights of a member of the Company.
71. The Directors may, from time to time, make rules as to the terms on which, if they shall think fit, a new Share warrant or coupon may be issued by way of renewal in case of defacement, loss, or destruction.

#### **NOMINATION BY SECURITY HOLDER**

72. (1) Every holder of Securities in the Company may, at any time, nominate, in the prescribed manner, a person to whom his Securities in the Company, shall vest in the event of his death.
- (2) Where the Securities in the Company are held by more than one person jointly, the joint-holders may together nominate, in the prescribed manner, a person to whom all the rights in the Securities in the Company shall vest in the event of death of all joint holders.
- (3) Notwithstanding anything contained in these Articles or any other law, for the time being, in force, or in any disposition, whether testamentary or otherwise, in respect of such Securities in the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Securities in the Company, the nominee shall, on the death of the Shareholders of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the Securities of the Company or, as the case may be, all the joint holders, in relation to such securities in the Company, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
- (4) In the case of fully paid up Securities in the Company, where the nominee is a minor, it shall be lawful for the holder of the Securities, to make the nomination to appoint in the prescribed manner any person, being a guardian, to become entitled to Securities in the Company, in the event of his death, during the minority.
73. (1) Any person who becomes a nominee by virtue of the provisions of the preceding Article, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either -
- (a) to be registered himself as holder of the Share(s); or
  - (b) to make such transfer of the Share(s) as the deceased Shareholder could have made.
- (2) If the person being a nominee, so becoming entitled, elects to be registered as holder of the Share(s), himself, he shall deliver 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 shareholder.
- (3) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer has been signed by that Shareholder.
- (4) A person, being a nominee, becoming entitled to a Share by reason of the death of the holder, shall be entitled to the same dividends and other advantages which he would be entitled if he were the registered holder of the Share except that he shall not, before being registered a member in respect of his Share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share(s) 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 in respect of the Share(s) or until the requirements of the notice have been complied with.

### MEETING OF MEMBERS

75. The Company shall, in each year, hold a general meeting as its Annual General Meeting. Any meeting, other than Annual General Meeting, shall be called Extra-ordinary General Meeting.

Not more than 15 (Fifteen) months or such other period, as may be prescribed, from time to time, under the Act, shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of the Act to extend time within which any Annual General Meeting may be held.

Every Annual General Meeting shall be called for a time during business hours i.e., between 9 a.m. and 6 p.m., on a day that is not a National Holiday, and shall be held at the Office of the Company or at some other place within the city, in which the Office of the Company is situated, as the Board may think fit and determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

Every member of the Company shall be entitled to attend, either in person or by proxy, and by way of a postal ballot whenever and in the manner as may permitted or prescribed under the provisions of the Act, and the Auditors to the Company, who shall have a right to attend and to be heard, at any general meeting which he attends, on any part of the business, which concerns him as the Auditors to the Company, further, the Directors, for the time being, of the Company shall have a right to attend and to be heard, at any general meeting, on any part of the business, which concerns them as the Directors of the Company or generally the management of the Company.

At every Annual General Meeting of the Company, there shall be laid, on the table, the Directors' Report and Audited Statements of Account, Auditors' Report, the proxy Register with forms of proxies, as received by the Company, and the Register of Directors' Share holdings, which Register shall remain open and accessible during the continuance of the meeting, and therefore in terms of the provisions of Section 96 of the Act, the Annual General Meeting shall be held within six months after the expiry of such financial year. The Board of Directors shall prepare the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with the applicable provisions of the Act.

76. The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting and it shall do so upon a requisition, in writing, by any member or members holding, in aggregate not less than one-tenth or such other proportion or value, as may be prescribed, from time to time, under the Act, of such of the paid-up capital as at that date carries the right of voting in regard to the matter, in respect of which the requisition has been made.
77. Any valid requisition so made by the members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office, provided that such requisition may consist of several documents, in like form, each of which has been signed by one or more requisitionists.
78. Upon receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within 21 (Twenty-one) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of the requisition, being deposited at the office, to cause a meeting to be called on a day not later than 45 (Forty-five) days or such other lessor period, as may be prescribed, from time to time, under the Act, from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid up Share capital held by all of them or not less than one-tenth of such of the paid up Share Capital of the Company as is referred to in Section 100(4) of the Act, whichever is less, may themselves call the meeting, but, in either case, any meeting so called shall be held within 3 (Three) months or such other period, as may be prescribed, from time to time, under the Act, from the date of the delivery of the requisition as aforesaid.
79. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible as that in which such meetings are to be called by the Board.
80. At least 21 (Twenty-one) days' notice, of every general meeting, Annual or Extra-ordinary, and by whomsoever called, specifying the day, date, place and hour of meeting, and the general nature of the business to be transacted there at, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company, provided that in the case of an General Meeting, with the consent of members holding not less than 95 per cent of such part of the paid up Share Capital of the Company as gives a right to vote at the meeting, a meeting may be

convened by a shorter notice. In the case of an Annual General Meeting of the Shareholders of the Company, if any business other than (i) the consideration of the Accounts, Balance Sheet and Reports of the Board and the Auditors thereon, (ii) the declaration of dividend, (iii) appointment of directors in place of those retiring, (iv) the appointment of, and fixing the remuneration of, the Auditors, is to be transacted, and in the case of any other meeting, in respect of any item of business, a statement setting out all material facts concerning each such item of business, including, in particular, the nature and extent of the interest, if any, therein of every director and manager, if any, where any such item of special business relates to, or affects any other company, the extent of shareholding interest in that other company or every director and manager, if any, of the Company shall also be set out in the statement if the extent of such Share-holding interest is not less than such percent, as may be prescribed, from time to time, under the Act, of the paid-up Share Capital of that other Company.

Where any item of business consists of the according of approval of the members to any document at the meeting, the time and place, where such document can be inspected, shall be specified in the statement aforesaid.

81. The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof shall not invalidate any resolution passed at any such meeting.
82. No general meeting, whether Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.
83. Subject to the provisions of the Act and these Articles, five(5) shareholders shall constitute quorum in Shareholder's Meetings of the Company if number of shareholders as on date of meeting is not more than One Thousand; Fifteen (15) shareholders shall constitute quorum in Shareholder's Meetings of the Company if number of shareholders as on date of meeting is more than One Thousand but not more than Five Thousand; Thirty (30) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting exceeds five thousand.
84. A body corporate, being a member, shall be deemed to be personally present, if it is represented in accordance with and in the manner as may be prescribed by, the applicable provisions of the Act.
85. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, then the meeting, if convened by or upon the requisition of members, shall stand dissolved, but in any other case, it shall stand adjourned to such time on the following day or such other day and to such place, as the Board may determine, and, if no such time and place be determined, to the same day in the next week, at the same time and place in the city or town in which the office of the Company is, for the time being, situate, as the Board may determine, and, if at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.
86. The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, whether Annual or Extra-ordinary. If there be no such Chairman, or, if, at any meeting, he shall not be present within 15 (Fifteen) minutes of the time appointed for holding such meeting, then the members present shall elect another director as the Chairman of that meeting, and, if no director be present, or if all the Directors present decline to take the Chair, then the members present shall elect one among them to be the Chairman.
87. No business shall be discussed at any general meeting, except the election of a Chairman, whilst the Chair is vacant.
88. The Chairman, with the consent of the meeting, may adjourn any meeting, from time to time, and from place to place, in the city or town, in which the office of the Company is, for the time being, situate, but no business shall be transacted at any adjourned meeting, other than the business left unfinished, at the meeting, from which the adjournment took place.
89. At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is demanded, before or on the declaration of the result of the show of hands, by any member or members present in person or by proxy and holding Shares in the Company, which confer a power to vote on the resolution not being less than one-tenth or such other proportion as may statutorily be prescribed, from time to time, under the Act, of the total voting power, in respect of the resolution or on which an aggregate sum of not less than Rs. 500,000/- or such other sum as may statutorily be prescribed, from time to time, under the Act, has been paid up, and unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or has been lost and an entry to that effect in the minutes book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.
90. In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll, if any, have a casting vote in addition to the vote of votes, if any, to which he may be entitled as a member, if he is.

91. If a poll is demanded as aforesaid, the same shall, subject to Article 93 hereinafter, be taken at Mumbai or, if not desired, then at such other place as may be decided by the Board, at such time not later than 48 (Forty-eight) hours from the time when the demand was made and place in the city or town in which the office of the Company is, for the time being, situate, and, either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the persons, who made the demand.
92. Where a poll is to be taken, the Chairman of the meeting shall appoint one or, at his discretion, two scrutinizers, who may or may not be members of the Company to scrutinize the votes given on the poll and to report thereon to him, subject to that one of the scrutinizers so appointed shall always be a member, not being an officer or employee of the Company, present at the meeting, provided that such a member is available and willing to be appointed. The Chairman shall have power, at any time, before the result of the poll is declared, to remove a scrutinizer from office and fill the vacancy so caused in the office of a scrutinizer arising from such removal or from any other cause.
93. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment of the meeting shall be taken forthwith at the same meeting.
94. The demand for a poll, except on questions of the election of the Chairman and of an adjournment thereof, 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.

#### **VOTES OF MEMBERS**

95. 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 or upon a poll in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, or has exercised, any right of lien.
96. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions so 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, speak and 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 be present at any meeting of the Company, subject to the provision of section 47, he shall have a right to vote only on resolutions, placed before the meeting, which directly affect the rights attached to his Preference Shares.
97. 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.
98. A member of unsound mind or in respect of whom an order has been made by a court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian; and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote, in respect of his Share or Shares, be used by his guardian, or any one of his guardians, if more than one, to be selected, in the case of dispute, by the Chairman of the meeting.
99. If there be joint registered holders of any Shares, any one of such persons may vote at any meeting or may appoint another person, whether a member or not, as his proxy, in respect of such Shares, as if he were solely entitled thereto, but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, then one of the said persons so present, whose name stands higher on the Register, shall alone be entitled to speak and to vote in respect of such Shares, but the other of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name Shares stand shall, for the purpose of these Articles, be deemed joint holders thereof.
100. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate, being a member, may vote either by a proxy or by a representative, duly authorised, in accordance with the applicable provisions, if any, of the Act, and such representative shall be entitled to exercise the same rights and powers, including the right to vote by proxy, on behalf of the body corporate, which he represents, as that body corporate could exercise, if it were an individual member.

101. Any person entitled, under the Article 61 hereinabove, 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 forty-eight hours at least 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 indemnity, if any, as the Directors may require or the Directors shall have provisionally admitted his right to vote at such meeting in respect thereof.
102. Every proxy, whether a member or not, shall be appointed, in writing, under the hand of the appointer or his attorney, or if such appointer is a body corporate under the common seal of such corporate, or be signed by an officer or officers or any attorney duly authorised by it or them, and, for a member of unsound mind or in respect of whom an order has been made by a court having jurisdiction in lunacy, any committee or guardian may appoint such proxy. The proxy so appointed shall not have a right to speak on any matter at the meeting.
103. An instrument of Proxy may state the appointment of a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.
104. A member, present by proxy, shall be entitled to vote only on a poll. \
105. The instrument appointing a proxy and a Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the Office not later than 48 (Forty-eight) hours before the time for holding the meeting at which the person named in the Instrument proposes to vote, and, in default, the Instrument of Proxy shall not be treated as valid. No instrument appointing a proxy shall be a valid after the expiration of 12 (Twelve) months or such other period as may be prescribed under the Laws, for the time being, in force, or if there shall be no law, then as may be decided by the Directors, from the date of its execution.
106. Every Instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances thereto will admit, be in any of the forms as may be prescribed from time to time.
107. A vote, given in accordance with the terms of an Instrument of Proxy, shall be valid notwithstanding the previous death of insanity of the principal, or revocation of the proxy or of any power of Attorney under which such proxy was signed or the transfer of the Share in respect of which the vote is given, provided that no intimation, in writing, of the death or insanity, revocation or transfer shall have been received at the Office before the meeting.
108. No objections shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, or not disallowed at such meeting or on a poll, shall be deemed as valid for all purposes of such meeting or a poll whatsoever.
109. The Chairman, present at the time of taking of a poll, shall be the sole judge of the validity of every vote tendered at such poll.
110.
  - (a) The Company shall cause minutes of all proceeding of every general meeting to be kept by making, within 30 (Thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.
  - (b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a director duly authorised by the Board for that purpose.
  - (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
  - (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings there at.
  - (e) All appointments made at any meeting aforesaid shall be included in the minutes of the meeting.
  - (f) Nothing herein contained shall require or to be deemed to require the inclusion, in any such minutes, of any matter, which, in the opinion of the Chairman of the meeting, (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
  - (g) Any such minutes shall be conclusive evidence of the proceedings recorded therein.
  - (h) The book containing the minutes of proceedings of general meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than 2 (Two) hours, in each day, as the Directors determine, to the inspection of any member without charge.

**DIRECTORS**

111. Until otherwise determined by a general meeting of the Company and, subject to the applicable provisions of the Act, the number of Directors) shall not be less than three nor more than fifteen.  
The First Directors of the Company are:
1. **MR. SIDDHARTHA SODAGUDI XAVIER**
  2. **MR. DHIRAJ KUMAR SHARMA**
  3. **MR. KRISHNA MURARI SINGH**
  4. **PARESH PANNALAL SHAH**
112. (a) Whenever, Directors enter into a contract with any Government, whether central, state or local, bank or financial institution or any person or persons (hereinafter referred to as “the appointer”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever or in case of Promoters of the Company (hereinafter referred as “Promoters”), the Directors shall have, subject to the provisions of Section 152 and other applicable provisions, if any, of the Act, the power to agree that such appointer or Promoters shall have the right to appoint or nominate by a notice, in writing, addressed to the Company, one or more Directors on the Board (hereinafter referred to as “Special Director”) for such period and upon such terms and conditions, as may be mentioned in the agreement if any, and that such Director or Directors may or may not be liable to retire by rotation, nor be required to hold any qualification Shares. The Directors may also agree that any such Director or Directors may be removed, from time to time, by the appointer or Promoter, entitled to appoint or nominate them and the appointer or Promoter may appoint another or others in his or their place and also fill in vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reasons whatsoever. The directors, appointed or nominated under this Article, shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the directors of the Company including payment of remuneration, sitting fees and travelling expenses to such director or directors, as may be agreed by the Company with the appointer.
- (b) The Special Directors, appointed under the preceding Article, shall be entitled to hold Office until required by the Government, person, firm, body corporate promoters or financial institution/s who may have appointed them, and will not be bound to retire by rotation or be subject to the Articles hereof. A Special Director shall not require to hold any qualification Share(s) in the Company. As and when a Special Director vacates Office, whether upon request as aforesaid or by death, resignation or otherwise, the Government, person, firm or body corporate promoters or financial institution, who appointed such Special Director, may appoint another director in his place. Every nomination, appointment or removal of a Special Director or other notification, under this Article, shall be in writing and shall, in the case of the Government, be under the hand of a Secretary or some other responsible and authorised official to such Government, and in the case of a company or financial institution, under the hand of director of such company or institution duly authorised in that behalf by a resolution of the Board of Directors. Subject as aforesaid, a Special Director shall be entitled to the same rights and privileges and be subject to the same of obligations as any other director of the Company.
113. If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any person or persons shall have power to nominate a director of the Company, then in the case of any and every such issue of Debentures, the person or persons having such power may exercise such power, from time to time, and appoint a director accordingly. Any director so appointed is hereinafter referred to as “the Debenture Director”. A Debenture Director may be removed from Office, at any time, by the person or persons in whom, for the time being, is vested the power, under which he was appointed, and another director may be appointed in his place. A Debenture Director shall not be required to hold any qualification Share(s) in the Company.
114. Subject to the provisions of section 161(2) of the Act, 2013, 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 3 (Three) months or such other period as may be, from time to time, prescribed under the Act, from the India, in which the meetings of Board are ordinarily held. An alternate director appointed, under this Article, shall not hold Office for a 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 that State. If the term of Office of the Original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for the automatic re-appointment of a retiring director, in default of another appointment, shall apply to the original director and not to the alternate director.
115. Subject to the provisions of section 161(1) of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall

- not, at any time, exceed the maximum fixed under these Articles. Any such Additional Director shall hold Office only upto the date of the next Annual General Meeting.
116. Subject to the provisions of section 152 and 162 of the Act, 2013, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be a director to fill a casual vacancy. Any person so appointed 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.
117. A director shall not be required to hold any qualification Share(s) in the Company.
118. (i) Subject to the provisions of section 196, 197 and read with schedule V of the Companies Act, 2013, a Managing Director or Director who is in the Whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, or in any other manner, as may be, from time to time, permitted under the Act or as may be thought fit and proper by the Board or, if prescribed under the Act, by the Company in general meeting.
- (ii) Subject generally to the provisions of the Act, and, in the case of the Managing Director, subject to the provisions of the Articles hereinbelow, as may be applicable, the Board shall have power to pay such remuneration to a director for his services, Whole-time or otherwise, rendered to the Company or for services of professional or other nature rendered by him, as may be determined by the Board. If any director, being willing, shall be called upon to perform extra services or make any special exception in going to or residing at a place other than the place where the director usually resides, or otherwise in or for the Company's business or for any of the purpose of the Company, then, subject to the provisions of the Act, the Board shall have power to pay to such director such remuneration, as may be determined by the Board.
- (iii) Subject to the provisions of the Act, a director, who is neither in the Whole-time employment nor a Managing Director, may be paid remuneration either;
- (a) by way of monthly, quarterly or annual payment with the approval of the Central Government; or
- (b) by way of commission, if the Company, by a special resolution, authorises such payment.
- (iv) The fee payable to a director, excluding a Managing or Whole time Director, if any, for attending a meeting of the Board or Committee thereof shall be such sum, as the Board may, from time to time, determine, but within and subject to the limit prescribed by the Central Government pursuant to the provisions, for the time being, under the Act.
119. The Board may allow and pay to any director such sum, as the Board may consider fair compensation, for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any director be called upon to go or reside out of the ordinary place of his residence for the Company's business, he shall be entitled to be repaid and reimbursed of any travelling or other expenses incurred in connection with business of the Company. The Board may also permit the use of the Company's car or other vehicle, telephone(s) or any such other facility, by the director, only for the business of the Company.
120. The continuing Directors may act, notwithstanding, any vacancy in their body but if, and so long as their number is not reduced below the minimum number fixed by Article 111 hereof. the continuing Directors, not being less than two, may only act, for the purpose of increasing the number of Directors to that prescribed minimum number or of summoning a general meeting but for no other purpose.
121. The office of director shall be vacated, pursuant to the provisions of section 164 and section 167 of the Companies Act, 2013. Further, the Director may resign his office by giving notice to the Company pursuant to section 168 of the Companies Act, 2013.
122. The Company shall keep a Register, in accordance with Section 189(1) of the Act, and within the time as may be prescribed, enter therein such of the particulars, as may be relevant having regard to the application thereto of Section 184 or Section 188 of the Act, as the case may be. The Register aforesaid shall also specify, in relation to each director of the Company, names of the bodies corporate and firms of which notice has been given by him, under the preceding two Articles. The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and the extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 189(3) of the Act shall apply accordingly.
123. A director may be or become a director of any other Company promoted by the Company or in which it may be interested as a vendor, Shareholder or otherwise, and no such director shall be accountable for any benefits received as director or Shareholder of such Company except in so far as the provisions of the Act may be applicable.

124. (a) At every Annual General Meeting of the Company, one-third of such of the Directors, for the time being, as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from Office. The Independent, Nominee, Special and Debenture Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of directors to retire, subject to Section 152 and other applicable provisions, if any, of the Act.
- (b) Subject to Section 152 of the Act, the directors, liable to retire by rotation, at every annual general meeting, shall be those, who have been longest in Office since their last appointment, but as between the persons, who became Directors on the same day, and those who are liable to retire by rotation, shall, in default of and subject to any agreement among themselves, be determined by lot.
125. A retiring director shall be eligible for re-election and shall act as a director throughout the meeting at which he retires.
126. Subject to Section 152 of the Act, the Company, at the general meeting at which a director retires in manner aforesaid, may fill up the vacated Office by electing a person thereto.
127. (a) If the place of retiring director is not so filled up and further the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day, which is not a public holiday, at the same time and place.
- (b) If at the adjourned meeting also, the place of the retiring director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been re-appointed at the adjourned meetings, unless:-
- (i) at that meeting or at the previous meeting, resolution for the re-appointment of such director has been put to the meeting and lost;
  - (ii) the retiring director has, by a notice, in writing, addressed to the Company or its Board, expressed his unwillingness to be so re-appointed;
  - (iii) he is not qualified, or is disqualified, for appointment.
  - (iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or
  - (v) Section 162 of the Act is applicable to the case.
128. Subject to the provisions of Section 149 of the Act, the Company may, by special resolution, from time to time, increase or reduce the number of directors, and may alter their qualifications and the Company may, subject to the provisions of Section 169 of the Act, remove any director before the expiration of his period of Office and appoint another qualified person in his stead. The person so appointed shall hold Office during such time as the director, in whose place he is appointed, would have held, had he not been removed.
129. (a) No person, not being a retiring director, shall be eligible for appointment to the office of director at any general meeting unless he or some member, intending to propose him, has, not less than 14 (Fourteen) days or such other period, as may be prescribed, from time to time, under the Act, before the meeting, left at the Office of the Company, a notice, in writing, under his hand, signifying his candidature for the Office of director or an intention of such member to propose him as a candidate for that office, along with a deposit of Rupees One lakh or such other amount as may be prescribed, from time to time, under the Act,, which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a director or gets more than twenty-five per cent of total valid votes cast either on show of hands or on poll on such resolution.
- (b) Every person, other than a director retiring by rotation or otherwise or a person who has left at the Office of the Company a notice under Section 160 of the Act signifying his candidature for the Office of a director, proposed as a candidate for the Office of a director shall sign and file with the Company, the consent, in writing, to act as a director, if appointed.
- (c) A person, other than a director re-appointed after retirement by rotation immediately on the expiry of his term of Office, or an Additional or Alternate Director, or a person filling a casual vacancy in the Office of a director under Section 161 of the Act, appointed as a director or reappointed as a director immediately on the expiry of his term of Office, shall not act as a director of the Company, unless he has, within thirty days of his appointment, signed and filed with the Registrar his consent, in writing, to act as such director.
130. The Company shall keep at its Office a Register containing the particulars of its directors and key managerial personnel and their shareholding as mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

131. Every director and Key Managerial Personnel within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the company the particulars specified in sub-section (1) of section 184 relating to his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association which are required to be included in the register under that section 189 of the Companies Act, 2013.

### **MANAGING DIRECTOR**

132. (1) Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint, from time to time, any of its member as a Managing Director or Managing Directors of the Company for a fixed term, not exceeding 5 (Five) years at a time, and upon such terms and conditions as the Board thinks fit, and subject to the provisions of the succeeding Article hereof, the Board may, by resolution, vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally, as it thinks fit, and such powers may be made exercisable for such period or periods; and upon such conditions and subject to such restrictions, as it may determine. The remuneration of a Managing Director may be by way of salary and/or allowances, commission or participation in profits or perquisites of any kind, nature or description, or by any or all of these modes, or by any other mode(s) not expressly prohibited by the Act or the Rules made thereunder, or any notification or circular issued under the Act.
- (2) The Board shall have power to appoint an individual as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company at the same time.
133. Subject to the superintendance, directions and control of the Board, the Managing Director or Managing Directors shall exercise the powers, except to the extent mentioned in the matters, in respect of which resolutions are required to be passed only at the meeting of the Board, under Section 179 of the Act and the rules made thereunder
134. Subject also to the other applicable provisions, if any, of the Act, the Company shall not appoint or employ, or continue the appointment or employment of, a person as its Managing or Whole-time Director who :-
- is below the age of twenty-one years or has attained the age of seventy years
  - is an undischarged insolvent, or has any time been adjudged an insolvent;
  - suspends, or has at any time suspended, payment to his creditors, or makes or has, at any time, made, a composition with them; or
  - is or has, at any time, been convicted by a Court and sentenced for a period of more than six months.

### **PROCEEDINGS OF THE BOARD OF DIRECTORS**

135. Unless decided by the Board to the contrary, depending upon the circumstances of the case, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, in accordance with the Article 124 hereof. If he ceases to hold the office of director, he shall ipso-facto and forthwith ceases to hold the office of Managing Director.
136. The Directors may meet together as a Board for the despatch of business, from time to time, and shall so meet at least once in every 3 (Three) months and at least 4 (Four) such meetings shall be held in every year in such a manner that not more than one hundred and twenty days (120) days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit, subject to the provisions of the Act. The Board of directors may participate in a meeting of the Board either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time subject to the rules as may be prescribed.
137. not less than seven (7) days Notice of every meeting of the Board may be given, in writing, in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means. Subject to the provisions of section 173(3) meeting may be called at shorter notice.
138. Subject to Section 174 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength, excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one, or two directors, whichever is higher, provided that where, at any time, the number of interested directors exceeds or is equal to two-thirds of the total strength the number of the remaining directors, that is to say, the number of directors who are not interested, present at the meeting, being not less than two, shall be the quorum, during such time.
139. If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned for 30 minutes in the same day and at same place.

140. A director may, at any time, or Secretary shall, as and when directed by the any of the Directors to do so, convene a meeting of the Board, by giving a notice, in writing, to every other director.
141. The Board may, from time to time, elect one of their member to be the Chairman of the Board and determine the period for which he is to hold the office. If at any meeting of the Board, the Chairman is not present at a time appointed for holding the same, the directors present shall choose one of them, being present, to be the Chairman of such meeting.
142. Subject to the restrictive provisions of any agreement or understanding as entered into by the Company with any other person(s) such as the collaborators, financial institutions, etc., the questions arising at any meeting of the Board shall be decided by a majority of the votes of the directors present there at and, also subject to the foregoing, in the case of an equality of votes, the Chairman shall have a second or casting vote.
143. A meeting of the Board, at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions, which, by or under the Act or the Articles of the Company, are, for the time being, vested in or exercisable by the Board generally.
144. Subject to the restrictions contained in Section 179 of the Act 2013 and the rules made thereunder, the Board may delegate any of their powers to the committee of the Board, consisting of such number of its body, as it thinks fit, and it may, from time to time, revoke and discharge any such committee of the Board, either wholly or in part and either as to persons or purposes, but every committee of the Board, so formed, shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board, in conformity with such regulations, and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if were done by the Board.
145. The meetings and proceedings of any meeting of such Committee of the Board, consisting of two or more members, shall be governed by the provisions contained herein for regulating the meetings and proceedings of the meetings 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.
146. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the directors or to all the members of the Committee, then in India, not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be, and to all the directors or to all the members of the Committee, at their usual addresses in India and has been approved, in writing, by such of the directors or members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.
147. 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 or was, as the case may be, disqualified or had vacated office or that the appointment of any of them was 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 duly been appointed and was qualified to be a director and had not vacated his office or his appointed had not been terminated, provided that nothing in this Article shall be deemed to give validity to any act or acts done by a director or directors after his or their appointment(s) has or have been shown to the Company to be invalid or to have terminated.
148. (a) The Company shall cause minutes of all proceedings of every meeting of the Board and the Committee thereof to be kept by making, within 30 (Thirty) days of the conclusion of each such meeting, entries thereof in books kept, whether manually in the registers or by way of loose leaves bound together, as may be decided by the Board of Directors, for that purpose with their pages consecutively numbered.
- (b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (c) In no case, the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (e) All appointment made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (f) The minutes shall also contain :-

- (i) the names of the Directors present at the meeting; and
  - (ii) in the case of each resolution passed at the meeting, the names of the directors, if any dissenting from or not concurring in the resolution.
- (g) Nothing contained in sub-clauses (a) to (f) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting -
- (i) is, or could reasonably be regarded as, defamatory of any person;
  - (ii) is irrelevant or immaterial to the proceedings; or
  - (iii) is detrimental to the interests of the Company;
- and that the Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in this sub-clause.
- (h) Minutes of the meetings kept in accordance with the aforesaid provisions shall be an evidence of the proceedings recorded therein.
149. Without prejudice to the general powers as well as those under the Act, and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles or otherwise, it is hereby declared that the Directors shall have, inter alia, the following powers, that is to say, power –
- (a) to pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company;
  - (b) to pay and charge, to the account of the Company, any commission or interest lawfully payable thereon under the provision of the Act;
  - (c) subject to the provisions of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges, which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and being in the interests of the Company, and in any such purchase or other acquisition to accept such title or to obtain such right as the directors may believe or may be advised to be reasonably satisfactory;
  - (d) at their discretion and subject to the provisions of the Act, to pay for any property, right or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in Shares, Bonds, Debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid up, with such amount credited as paid up thereon, as may be agreed upon, and any such bonds, Debentures, mortgages or other securities may either be specifically charged upon all or any part of the properties of the Company and its uncalled capital or not so charged;
  - (e) to secure the fulfilment of any contracts or engagement entered into by the Company or, in the interests or for the purposes of this Company, by, with or against any other Company, firm or person, by mortgage or charge of all or any of the properties of the Company and its uncalled capital, for the time being, or in such manner and to such extent as they may think fit;
  - (f) to accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, whether under buy-back or otherwise, on such terms and conditions as shall be agreed mutually, and as may be permitted, from time to time, under the Act or any other Law or the Regulations, for the time being, in force,
  - (g) to appoint any person to accept and hold in trust, for the Company, any property belonging to the Company, in which it is interested, or for any other purposes, and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
  - (h) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts, due and of any differences to arbitration and observe and perform any awards made thereon;
  - (i) to act on behalf of the Company in all matters relating to bankruptcy and insolvents;
  - (j) to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;

- (k) subject to the applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security, not being 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 49 of the Act, all investments shall be made and held in the Company's own name;
- (l) to execute, in the name and on behalf of the Company, in favour of any director or other person, who may incur or be about to incur any personal liability whether as principal or surety, for the benefit or purposes of the Company, such mortgages of the Company's property, present and future, as they may think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
- (m) to determine from time to time, who shall be entitled to sign, on behalf of the Company, bills, invoices, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and or any other document or documents and to give the necessary authority for such purpose, and further to operate the banking or any other kinds of accounts, maintained in the name of and for the business of the Company;
- (n) to distribute, by way of bonus, incentive or otherwise, amongst the employees of the Company, a Share or Shares in the profits of the Company, and to give to any staff, officer or others employed by the Company a commission on the profits of any particular business or transaction, and to charge any such bonus, incentive or commission paid by the Company as a part of the operational expenditure of the Company;
- (o) to provide for the welfare of directors or ex-directors, Shareholders, for the time being, 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 or dwellings, or grants of moneys, whether as a gift or otherwise, pension, gratuities, allowances, bonus, loyalty bonuses or other payments, also whether by way of monetary payments or otherwise, or by creating and from time to time, subscribing or contributing to provident and other association, institutions, funds or trusts and by providing or subscribing or contributing towards places of worship, instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance, as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects, which shall have any moral or other claim to support or aid by the Company, either by reason of locality or place of operations, or of public and general utility or otherwise;
- (p) before recommending any dividend, to set aside out of the profits of the Company such sums, as the Board may think proper, for depreciation or to a Depreciation Fund, or to an Insurance Fund, a Reserve Fund, Capital Redemption Fund, Dividend Equalisation Fund, Sinking Fund or any Special Fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes, including the purposes referred to in the preceding clause, as the Board may, in their absolute discretion, think conducive to the interests of the Company and, subject to the provisions of the Act, to invest the several sums so set aside or so much thereof, as required to be invested, upon such investments, other than shares of the Company, as they may think fit, and from time to time, to deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes, as the Board, in their absolute discretion, think conducive to the interests of the Company, notwithstanding, that the matter, to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds, as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or divisions of a Reserve Fund and with full powers to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase of or repayment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, subject to the provisions of the applicable laws, for the time being, in force.
- (q) to appoint and at their discretion, remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants or other employees, in or 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, emoluments or remuneration of such amount, as they may think fit.
- (r) to comply with the requirements of any local laws, Rules or Regulations, which, in their opinion, it shall, in the interests of the Company, be necessary or expedient to comply with.

- (s) 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 powers 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 any such appointment may, if the Board thinks fit, be made in favour of the members or in favour of any Company, or the Share-holders, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such powers for the protection of convenience of person dealing with such Attorneys, as the Board may think fit, and may contain powers enabling any such delegates all or any of the powers, authorities and discretions, for the time being, vested in them;
- (t) Subject to the provisions of the Act, for or in relation to any of the matters, aforesaid or otherwise, for the purposes of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such 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;
- (u) from time to time, make, vary and repeal bylaws for the regulation of the business of the Company, its Officers and Servants.

#### **MANAGEMENT**

150. The Company shall not appoint or employ, at the same time, more than one of the following categories of managerial personnel, namely
- (a) Managing Director, and
  - (b) Manager

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

151. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary, chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary, chief financial officer so appointed may be removed by means of a resolution of the Board;
  - (ii) A director may be appointed as chief executive officer, manager, company secretary, chief financial officer.
152. 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, 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, chief financial officer.

#### **COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

153. Copies of the Memorandum and Articles of Association of the Company and other documents, referred to in Section 17 of the Act, shall be sent by the Company to every member, at his request, within 7 (Seven) days of the request, on payment, if required by the Board, of the sum of Re.1/- (Rupee One Only) or such other higher sum, as may be prescribed, from time to time, under the Act and further decided, from time to time, by the Board, for each such copy.

#### **SEAL**

154. (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 that the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. The Common Seal of the Company shall be kept at its office or at such other place, in India, as the Board thinks fit.
- (b) The Common Seal of the Company shall be used by or under the authority of the Directors or by a Committee of the Board of Directors authorised by it in that behalf in the presence of at least one director, or Secretary or any other responsible officer of the Company as may be expressly authorised by the Board by way of a resolution passed at their duly constituted meeting, who shall sign every instrument to which the seal is affixed. Such instruments may also be counter-signed by other officer or officers, if any, appointed for the purpose. However, the certificates, relating to Shares or Debentures in or of the Company, shall be signed in such manner as may be prescribed in the Act and/or any Rules thereunder.

**DIVIDEND**

155. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles, and further subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid up to the Shares held by them respectively.
156. The Company, in general meeting, may declare that dividends be paid to the members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company may, in general meeting, declare a smaller dividend than was recommended by the Board.
157. Subject to the applicable provisions of the Act, no dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that :-
- (a) if the Company has not provided for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;
  - (b) if the Company has incurred any loss in any previous financial year or years the amount of loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid as against the profits of the Company for any financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of schedule II of the Act
158. The Board may, from time to time, pay to the members such interim dividend, as in their judgement, the position of the Company justifies.
159. Where capital is paid in advance of calls, such capital may carry interest as may be decided, from time to time, by the Board, but shall not, in respect thereof, confer a right to dividend or to participate in profits.
160. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during which any portion or portions of the period in respect of which the dividend is paid up; but if any Share is issued on the terms providing that it shall rank for dividend as from a particular date or on such preferred rights, such Share shall rank for dividend accordingly.
161. The Board may retain the dividends payable upon Shares in respect of which any person is, under the Article 61 hereinabove, entitled to become a member, or which any person under that article is entitled to transfer until such person shall become a member in respect of such Shares, or shall duly transfer the same and until such transfer of Shares has been registered by the Company, notwithstanding anything contained in any other provision of the Act or these Articles, the provisions of Section 206A of the Act or the corresponding section of Act, 2013 as and when notified shall apply.
162. 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 or bonus or other moneys payable in respect of such Shares.
163. No member shall be entitled to receive payment of any interest or dividend 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 howsoever, either alone or jointly with any other person or persons, and the Board may deduct, from the interest or dividend payable to any member, all sums of money so due from him to the Company.
164. Subject to the applicable provisions, if any, of the Act, a transfer of Shares shall not pass the right to any dividend declared thereon and made effective from the date prior to the registration of the transfer.
165. Unless otherwise directed, any dividend may be paid up by cheque or warrant or by a pay-slip sent through the post to the registered address of the member or person entitled, or, in the case of joint holders, to that one of them first named in the Register in respect of the joint holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay-slip lost in transmission or for any dividend lost to the member or person entitled thereto due to or by the forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means.

166. (a) If the Company has declared a dividend but which has not been paid or claimed within 30 (Thirty) days from the date of declaration the Company shall transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 (Thirty) days a special account to be opened by the Company in that behalf in any scheduled Bank called “the Unpaid Dividend Account of..... Limited”. The Company shall within a period of ninety days of making any transfer of an amount to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company and also on any other website approved by the Central Government, for this purpose. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.
- (b) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (Seven) years, from the date of such transfer shall be transferred by the Company to the Fund known as the Investor Education and Protection Fund established under Section 205C of the Act 1956 or the corresponding section of Act, 2013 as and when notified shall apply.
167. Subject to the provisions of the Act, no unpaid dividend shall bear interest as against the Company.
168. Any general meeting declaring a dividend may, on the recommendation of the Directors, make a call on the members of such amount as the meeting decides, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the calls.

### CAPITALISATION

169. (a) The Company, in general meeting, may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account or in the hands of the Company and available for dividend, or representing premium received on the issue of Shares and standing to the credit of the Share Premium Account, be capitalised and distributed amongst such of the Shareholders as would be entitled to receive the same, if distributed by way of dividend, and in the same proportion on the footing that they become entitled thereto as capital, and that all or any part of such capitalised fund be applied, on behalf of such Shareholders, in paying up in full either at par or at such premium, as the resolution may provide, any unissued Shares or Debentures or Debenture stock of the Company which shall be distributed accordingly on or towards payment of the uncalled liability on any issued Shares or Debentures, stock and that such distribution or payment shall be accepted by such Shareholders in full satisfaction of their interest in the said capitalised sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article, only be applied for the paying of any unissued Shares to be issued to members of the Company as, fully paid up, bonus Shares.
- (b) A general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company, not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.
- (c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty, which may arise, in regard to the distribution, as it thinks expedient, and, in particular, may issue fractional certificates and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of value less than Rs.10/- (Rupees Ten Only) may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the person entitled to the dividend or capitalised funds, as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act and the Board may appoint any person to sign such contract, on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

### ACCOUNTS

170. The Company shall keep at the Office or at such other place in India, as the Board thinks fit and proper, books of account, in accordance with the provisions of the Act with respect to :-
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
- (b) all sales and purchases of goods by the Company;

- (c) the assets and liabilities of the Company;
- (d) such particulars, if applicable to this Company, relating to utilisation of material and/or labour or to other items of cost, as may be prescribed by the Central Government.

Where the Board decides to keep all or any of the books of account at any place, other than the Office of the Company, the Company shall, within 7 (Seven) days, or such other period, as may be fixed, from time to time, by the Act, of the decision, file with the Registrar, a notice, in writing, giving the full address of that other place.

The Company shall preserve, in good order, the books of account, relating to the period of not less than 8 (Eight) years or such other period, as may be prescribed, from time to time, under the Act, preceding the current year, together with the vouchers relevant to any entry in such books.

Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article, if proper books of account, relating to the transaction effected at the branch office, are kept at the branch office, and the proper summarised returns, made up to day at intervals of not more than 3 (Three) months or such other period, as may be prescribed, from time to time, by the Act, are sent by the branch office to the Company at its Office or other place in India, at which the books of account of the Company are kept as aforesaid.

The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain the transactions represented by it. The books of account and other books and papers shall be open to inspection by any director, during business hours, on a working day, after a prior notice, in writing, is given to the Accounts or Finance department of the Company.

- 171. 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 the directors, and no member, not being a director, shall have any right of inspecting any account or books or document of the Company, except as conferred by law or authorised by the Board.
- 172. The Directors shall, from time to time, in accordance with sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in Annual General Meeting of the Shareholders of the Company, such Balance Sheets, Profit and Loss Accounts, if any, and the Reports as are required by those Sections of the Act.
- 173. A copy of every such Profit & Loss Accounts and Balance Sheets, including the Directors' Report, the Auditors' Report and every other document(s) required by law to be annexed or attached to the Balance Sheet, shall at least 21 (Twenty-one) days, before the meeting, at which the same are to be laid before the members, be sent to the members of the Company, to every trustee for the holders of any Debentures issued by the Company, whether such member or trustee is or is not entitled to have notices of general meetings of the Company sent to him, and to all persons other than such member or trustees being persons so entitled.
- 174. The Auditors, whether statutory, branch or internal, shall be appointed and their rights and duties shall be regulated in accordance with the provisions of the Act and the Rules made thereunder.

#### **DOCUMENTS AND NOTICES**

- 175. (a) A document or notice may be served or given by the Company on any member either personally or by sending it, by post or by such other means such as fax, e-mail, if permitted under the Act, to him at his registered address or, if he has no registered address in India, to the address, if any, in India, supplied by him to the Company for serving documents or notices on him.
  - (b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying, wherever required, and posting a letter containing the document or notice, provided that where a member has intimated to the Company, in advance, that documents or notices should be sent to him under a certificate of posting or by registered post, with or without the acknowledgement due, and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner and, such service shall be deemed to have been effected, in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted, and in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- 176. A document or notice, whether in brief or otherwise, advertised, if thought fit by the Board, in a newspaper circulating in the neighborhood of the Office shall be deemed to be duly served or sent on the day, on which the advertisement appears,

on or to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.

177. A document or notice may be served or given by the Company on or to the joint holders of a Share by serving or giving the document or notice on or to the joint holder named first in the Register of Members in respect of the Share.
178. A document or notice may be served or given by the Company on or to the person entitled to a Share, including the person nominated in the manner prescribed hereinabove, in consequence of the death or insolvency of a member by sending it through the post as a prepaid letter addressed to them by name or by the title or representatives of the deceased, or assigned of the insolvent or by any like description, at the address, if any, in India, supplied for the purpose by the persons claiming to be entitled, or, until such an address has been so supplied, by serving the document or notice, in any manner in which the same might have been given, if the death or insolvency had not occurred.
179. Documents or notices of every general meeting shall be served or given in some manner hereinafter authorised on or to (a) every member, (b) every person entitled to a Share in consequence of the death or insolvency of member, (c) the Auditor or Auditors of the Company, and (d) the directors of the Company.
180. Every person who, by operation of law, transfer or by other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which, previously to his name and address being entered on the Register of Members, shall have duly served on or given to the person from whom he derives his title to such Shares.
181. Any document or notice to be served or given by the Company may be signed by a director or some person duly authorised by the Board for such purpose and the signature thereto may be written, printed or lithographed.
182. All documents or notices to be served or given by members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or Officer at the Office by post, under a certificate of posting or by registered post, or by leaving it at the Office, or by such other means such as fax, e-mail, if permitted under the Act.

#### **WINDING UP**

183. The Liquidator, on any winding up, whether voluntary or under supervision or compulsory, may, with the sanction of a special resolution, but subject to the rights attached to any Preference Share Capital, divide among the contributories, in specie, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, as the liquidators, with the like sanction, shall think fit.

#### **INDEMNITY AND RESPONSIBILITY**

184. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

#### **SECRECY**

185. (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 pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with the individuals and in matters relating thereto, and shall, by such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these presents or the Memorandum of Association of the Company.
- (b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors, or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and, which in the opinion of the Directors, it would be inexpedient in the interests of the Company to disclose.

**SECTION X: 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 the Draft 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 have been attached to the copy of the Draft Prospectus delivered to the RoC for registration, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office at Office No. 605, 6<sup>th</sup> floor, A-1, B-Wing, Rupa Solitaire Building Millennium Business Park, MIDC, Mahape, Navi Mumbai 400 710, India, from 10.00 am to 5.00 pm on Working Days from Application/Issue Opening Date until the Application/Issue Closing Date.

**A Material Contracts to the Issue**

1. Issue Agreement dated December 14, 2016, entered into among our Company and the Lead Manager.
2. Agreement dated December 27, 2016, entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated [●] entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated [●] entered into among our Company, CDSL and the Registrar to the Issue.
5. Escrow Agreement dated [●] between our Company, the Lead Manager, Escrow Collection Bank(s), Refund bank and the Registrar to the Issue.
6. Market Making Agreement dated [●] between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated [●] between our Company, the Lead Manager and the Market Maker.

**B Material Documents**

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of incorporation dated December 22, 2010, a fresh certificate of incorporation dated September 20, 2016 for change of name from GlobalSpace Tech Private Limited to GlobalSpace Technologies Private Limited and a fresh certificate of incorporation dated November 30, 2016 pursuant to conversion of our Company to public limited company.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated November 10, 2016 and December 07, 2016, respectively, authorizing the Issue and other related matters.
4. Resolution of the Board of Directors of our Company dated December 30, 2016 approving this Draft Prospectus.
5. Resolutions of the Shareholders of our Company dated December 07, 2016 appointing Krishna Singh as the Managing Director of our Company and N.K. Venkitakrishnan as Whole Time Director of our Company.
6. Copies of the annual reports of our Company for the five (5) fiscals immediately preceding the date of this Draft Prospectus i.e. for the year ended March 31, 2016, 2015, 2014, 2013 and 2012.
7. The reports of the Statutory Auditor, M/s. Tolia & Associates, Chartered Accountants, dated December 13, 2016 on our Company's restated financial information, and statement of tax benefits dated December 13, 2016 included in this Draft Prospectus.
8. Consents of the Auditor, M/s. Tolia & Associates, Chartered Accountants, to include its name as required under Section 26(1)(a)(v) of the Companies Act 2013 in this Draft Prospectus and as an expert, as defined under Section 2(38) of the Companies Act 2013, in relation to their audit report dated December 13, 2016 on our restated financial information and the statement of tax benefits in the form and context in which it appears in this Draft Prospectus.
9. Consents of Bankers to our Company, the lenders to the Company (where such consent is required), the Lead Manager, Registrar to the Issue, Legal counsel, Directors of our Company, Chief Executive Officer, Chief Financial Officer and Company Secretary and Compliance Officer, Market Makers and Underwriters as referred to act, in their respective capacities.

10. In-principle listing approval dated [●] from the BSE for listing the Equity Shares on the SME Platform of BSE and to include their name in the Draft Prospectus.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

### DECLARATION

We 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 or guidelines issued by SEBI, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Draft Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

Krishna Singh <i>Chairman &amp; Managing Director</i>	N.K. Venkitakrishnan <i>Whole Time Director &amp; Chief Executive Officer</i>
Beauty Singh <i>Non-Executive Director</i>	Subramanian Venkateswaran <i>Independent Director</i>
Yugal Sikri <i>Independent Director</i>	Venkatesh Vastare <i>Independent Director</i>

**SIGNED BY CHIEF FINANCIAL OFFICER (CFO):**

Pranav Shah

Date: December 30, 2016

Place: Mumbai