



PANACHE DIGILIFE LIMITED

(Formerly known as Vardhaman Technology Limited)

Our Company was originally incorporated as "Vardhaman Technology Private Limited" at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 30, 2007 bearing Corporate Identification Number U72200MH2007PTC169415 issued by Registrar of Companies, Maharashtra, Mumbai. Subsequently, our Company was converted into Public Company pursuant to Shareholders resolution passed at the Extraordinary General Meeting of our Company held on January 23, 2017 and the name of our company was changed to "Vardhaman Technology Limited" and a fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated February 15, 2017 was issued by the Registrar of Companies, Mumbai, Maharashtra. Further, the name of our Company was changed to "Panache Digilife Limited" and a Certificate of Incorporation pursuant to change of name dated February 22, 2017 was issued by the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identification Number (CIN) of our Company is U72200MH2007PLC169415. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page 66 and 167 respectively of this Red Herring Prospectus.

Registered Office: Unit No. 201/B, Raheja Plaza-1, L.B.S. Marg, Ghatkopar (West), Mumbai - 400 086, Maharashtra, India
Tel. No.: +91 22-25007502; **Fax No.:** +91 22-25007502; **E-mail:** compliance@panachedigilife.com; **Website:** www.panachedigilife.com

Contact Person: Jinkle Khimsaria, Company Secretary and Compliance Officer

PROMOTERS OF OUR COMPANY: AMIT RAMBHIA & NIKIT RAMBHIA

THE ISSUE

INITIAL PUBLIC OFFER CONSISTING OF FRESH ISSUE OF 18,00,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) AGGREGATING UP TO RS. [●] LAKHS (THE "ISSUE"), OF WHICH 92,800 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 17,07,200 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS IS HEREINAFTER REFERED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.00% AND 28.45% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER BUSINESS STANDARD, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER BUSINESS STANDARD AND ALL EDITIONS OF THE REGIONAL NEWSPAPER MUMBAI LAKSHADEEP, EACH WITH WIDE CIRCULATION, AT LEAST 5 (FIVE) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE EMEGRE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 287 of this Red Herring Prospectus. A copy will be delivered for registration to the Registrar as required under Section 26 of the Companies Act, 2013.

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME ("SEBI (ICDR) REGULATIONS"). FOR FURTHER DETAILS PLEASE REFER THE SECTION TITLED 'ISSUE INFORMATION' BEGINNING ON PAGE 277 OF THIS RED HERRING PROSPECTUS.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10 each. The Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the BRLM as stated in "Basis for Issue Price" on page 102 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 21 of this Red Herring Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue; that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held; and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of our Company issued through this Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ('NSE EMERGE'). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009 as amended from time to time. Our Company has received an approval letter dated March 21, 2017 from National Stock Exchange of India Limited for using its name in the Issue document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue, EMERGE Platform of the National Stock Exchange of India Limited shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai - 400051 Tel: +91-22 61946724 Fax: +91-22 2659 8690 Website: www.pantomathgroup.com Email: ipo@pantomathgroup.com Investor Grievance Id: ipo@pantomathgroup.com Contact Person: Kirti Kanoria SEBI Registration No: INM00001210	BIGSHARE SERVICES PRIVATE LIMITED E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East) Mumbai – 400 072 Tel: +91 22 40430200 Fax: +91 22 28475207 Email: ipo@bigshareonline.com Website: www.bigshareonline.com Investor Grievance Id: investor@bigshareonline.com Contact Person: Babu Raphael SEBI Registration Number: INR000001385
BID/ ISSUE PROGRAMME	
BID/ISSUE OPENS ON : TUESDAY , APRIL 11, 2017	BID/ISSUE CLOSES ON : MONDAY, APRIL 17, 2017

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

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

SECTION I – GENERAL

DEFINITION AND ABBREVIATION

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

Term	Description
AOA or Articles or Articles of Association	The Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013.
Auditor or Statutory Auditor	The statutory auditor of our Company, being M/s. Jain Salia & Associates, Chartered Accountants
Bankers to the Company	Such banks which are disclosed as bankers to our Company in the chapter titled " <i>General Information</i> " on page 66 of this Red Herring Prospectus.
Board of Directors/ the Board / our Board	The Board of Directors of our Company, as duly constituted from time to time, including Committee(s) thereof.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Jinkle Khimsaria
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each fully paid up.
Group Companies	Such Companies as are included in the chapter titled ' <i>Our Group Companies</i> ' beginning on page 191 of this Red Herring Prospectus
ISIN	International Securities Identification Number. In this case being INE895W01019
MOA / Memorandum / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
“Panache Digilife Limited” or “Panache”, “PDL” or “the Company” ,or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuer Company”	Panache Digilife Limited formerly known as Vardhaman Technology Limited, a Public Limited Company incorporated under the Companies Act, 1956
Peer Reviewed Auditor	Independent Auditor having a valid Peer Review Certificate in our case being M/s Maharishi & Co. Chartered Accountants
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled " <i>Our Promoter and Promoter Group</i> " beginning on page 187 of this Red Herring Prospectus.
Promoter, Promoters or our Promoters	Promoters of our Company being Amit Rambhia and Nikit Rambhia
Registered Office	The Registered office of our Company situated at Unit No. 201/B, Raheja Plaza-1, L.B.S. Marg, Ghatkopar (West), Mumbai – 400086, Maharashtra, India
RoC / Registrar of Companies	Registrar of Companies, Maharashtra, Mumbai at ROC 100, Everest, Marine Drive Mumbai -400002 Maharashtra, India.
Subsidiary	Subsidiary refers to “Wemart Global F.Z.E”
Shareholders	Shareholders of our Company
you, your or yours	Prospective investors in this Issue

ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allocation / Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Bidders
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to the Issue of the Equity Shares to successful Bidders
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad and Mumbai.
Banker(s) to the Issue/ Public Issue Bank(s)	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited and IndusInd Bank Limited
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled " <i>Issue Procedure</i> " beginning on page 285 of this Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid cum Application Form	The application form in terms of which a Bidder (including an ASBA Bidder) makes, a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus
Bid Cum Application Collecting Intermediaries	<ol style="list-style-type: none"> 1. a SCSB with whom the bank account to be blocked, is maintained 2. a syndicate member (or sub-syndicate member) If any 3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock

Term	Description
	exchange as eligible for this activity) ('broker') if any 4. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) 5. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Bid Lot	[●] Equity shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Closing Date	April 17, 2017, the date after which the Syndicate and SCSBs shall not accept any Bids
Bid/ Issue Opening Date	April 11, 2017, the date on which the Syndicate and SCSBs shall start accepting Bids
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied
Bidding/collecting Centre	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process / Book Building Method	The Book building process, as provided under Schedule XI of the SEBI (ICDR) Regulations, 2009, in terms of which this Issue is being made
Book Running Lead Managers or BRLM	The Book Running Lead Manager to the Issue namely Pantomath capital Advisors Private Limited, SEBI registered Category – I Merchant Banker.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of National Stock Exchange of India Limited.
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids (or a revision thereof) will be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Cut-off Price	Any price within the Price Band finalised by our Company in consultation with BRLM. A Bid submitted at Cut-off Price is a valid price at all levels within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price, for a Bid Amount not exceeding Rs [●]. No other category of Bidders is entitled to Bid at the Cut-off Price
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI

Term	Description
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Bidders/Applicants such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Date	The date on which the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account or the amount is unblocked in the ASBA Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted to the successful Applicants
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Stock Exchange	NSE EMERGE i.e. EMERGE Platform of National Stock Exchange of India Limited
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange (www.nseindia.com) and updated from time to time
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated February 27, 2017 issued in accordance with section 32 of the Companies Act, 2013 and filed with the NSE EMERGE under SEBI (ICDR) Regulations
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted
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.
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular

Term	Description
	(CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and included in “Issue Procedure” on page 285 of this Red Herring Prospectus
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the NSE EMERGE i.e. EMERGE Platform of National Stock Exchange of India Limited.
Market Making Agreement	Market Making Agreement dated February 23, 2017 between our Company, Book Running Lead Manager and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 92,800 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. [●] per Equity Share (including a premium of Rs. [●]/- per Equity Share) aggregating Rs. [●] for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Emerge Platform of NSE/SME Exchange	The Emerge platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations
NSE	National Stock Exchange of India Limited
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 17,07,200 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000 but not including NRIs other than Eligible NRIs
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
Issue	The Initial Public Issue of 18,00,000 Equity Shares of face value of Rs.10 each for cash at a price of Rs. [●] each (including a premium of Rs. [●]/- per Equity Share), aggregating up to Rs.[●] comprising the Fresh Issue.
Issue Agreement	The agreement dated February 23, 2017 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus
Issue Proceeds	The proceeds of the Issue that will be available to our Company. For further information about use of Issue Proceeds, see “Objects

Term	Description
	of the Issue " on page 96 of this Red Herring Prospectus
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Other Investors	Investors other than Retail Individual Investors. These include individual bidders/applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs. [●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least five Working Days prior to the Bid/ Issue Opening Date, in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalises the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 32 of the Companies Act, 2013, and the SEBI (ICDR) Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited and IndusInd Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Public Issue Account Agreement/ Banker to the Issue Agreement	Agreement entered on February 23, 2017 amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Bid Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs	A Mutual Fund, Venture Capital Fund, Alternative Investment Fund and Foreign Venture Capital investor registered with the Board, , 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

Term	Description
	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 and insurance funds set up and managed by the Department of Posts, India.
Red Herring Prospectus or RHP	This Red Herring Prospectus issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI (ICDR) Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus as registered with the RoC at least three days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited.
Refund through electronic transfer of funds	Refunds through ASBA process
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having its office at E/2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri East, Mumbai – 400 072, Maharashtra, India
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Bidder(s)/Retail Individual Investor(s)/RII(s)/RIB(s)	Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i>), who apply for an amount less than or equal to Rs 2,00,000
Revision Form	The Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
SCSB/ Self Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by

Term	Description
SEBI Listing Regulations	SEBI from time to time Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sub-Syndicate members	A SEBI Registered member of NSE appointed by the BRLM and/or Syndicate Member to act as a Sub-Syndicate Member in the Issue
Syndicate	Includes the BRLM, Syndicate Members and Sub-Syndicate Members
Syndicate Agreement	The agreement dated February 23, 2017 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue
Syndicate ASBA Bidding Locations	Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkatta and Delhi.
Syndicate Members / Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who are permitted to carry out activities as an underwriter, namely, Pantomath Stock Brokers Private Limited
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated February 23, 2017 entered into between the Underwriter and our Company
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

TECHNICAL AND INDUSTRY TERMS

Term	Description
ARMs	Additional Revenue Measures
ASPIRE	A scheme for Promoting Innovation and Rural Entrepreneurs
ATM	Automated Teller Machines
ATMP	Assembly, Test, Marking and Packaging of semiconductor chips
B2B	Business-to-Business
B2C	Business to Consumer
BBB	Better Business Bureaus
BCD	Basic Customs Duty
BFSI	Banking, Financial services and Insurance
BPM	Business Process Management
BRICS	Brazil, Russia, India, China and South Africa
BRIT	Board of Radiation and Isotope Technology

Term	Description
BSE	Bombay Stock Exchange
BSE SENSEX	Sensex is an index; market indicator of the position of stock that is listed in the BSE (Bombay Stock Exchange)
CAGR	Compound Annual Growth Rate
CAP	Corrective Action Plan
CAPEX	Capital Expenditure
CARE	Credit Analysis and Research (CARE Ratings)
CCTV	Closed-Circuit Television
CENVAT	Central Value Added Tax
CGTMSE	Credit Guarantee Trust Fund for Micro and Small Enterprises
CLCSS	Credit Linked Capital Subsidy Scheme
CPI	Consumer Price Index
Credit Suisse	Credit Suisse Business Analytics India
CSO	Central Statistics Office
CVD	Counter Veiling Duty
DIPP	Department of Industrial Policy and Promotion
DPP	Defence Procurement Policy
DVR	Digital Video Recorder
EBTC	European Business and Technology Centre
EDF	Electronics Development Fund
EDFP	Electronic Development Fund Policy
EHTPs	Electronic Hardware Technology Parks
EMCs	Electronic Manufacturing Clusters
EMDEs	Emerging Market and Developing Economies
EMEs	Emerging Market Economies
EOU	Export Oriented Unit
ESDM	Electronics Systems Design and Manufacturing
e-TV	e-Tourist Visa
FDI	Foreign Direct Investment
FPI	Foreign Portfolio Investment
FRL	Future Retail Limited
FSC	Future Supply Chain Solutions
FY	Financial Year
GDP	Gross Domestic Product
GOI	Government of India
GPS	Global Positioning System
GST	Goods and Services Tax
GVA	Gross Value Added
HDTV	High-definition television
HRD	Human Resource Development Ministry
IBEF	India Brand Equity Foundation
ICT	Information Communication Technology
IIP	Index of Industrial Production
IIT	Indian Institutes of Information Technology
IMF	International Monetary Fund
IoT	Internet of Things
IPR	Intellectual Property Rights
IT	Information Technology
ITA	Information Technology Agreement
ITeS	Information Technology enabled Services
JCR	Japan Credit Rating Agency Ltd

Term	Description
JV	Joint Venture
KPMG	Klynveld Peat Marwick Goerdeler (Accounting Firm)
LCD	Liquid Crystal Display
LED	Light-Emitting Diode
MAT	Minimum Alternative Tax
M-o-M	Month-On-Month
MoU	Memorandum of Understanding
MSECDP	Micro and Small Enterprises- Cluster Development Programme
MSIPS	Modified Special Incentive Package Scheme
MSMEs	Micro, Small and Medium Enterprises
MUDRA	Micro Units Development & Refinance Agency Ltd.
MYEA	Mid-Year Economic Analysis
NITI Aayog	The National Institution for Transforming India
NMP	National Manufacturing Policy
NOFN	The National Optical Fibre Network
NVR	Network Video Recorder
ODCs	Offshore Development Centres
OIL	Oil India Limited
ONGC	Oil and Natural Gas Corporation
PC	Pay Commission
PE	Private Equity
PMEGP	Prime Minister's Employment Generation Programme
PMMY	Pradhan Mantri MUDRA Yojana
PPP	Public-Private Partnership
PPP	Purchasing Power Parity
PSCDCL	The Pune Smart City Development Corporation
R&D	Research & Development
RBI	Reserve Bank of India
RIL	Reliance Industries Ltd
RIRI	Rational Investor Ratings Index
RoI	Return on Investment
SAD	Special Additional Duty
SED	Strategic Engineering Division
SEZs	Special Economic Zones
SFURTI	Scheme of Fund for Regeneration of Traditional Industries
SLA	Service Level Agreement
SMAC	Social, Mobility, Analytics and Cloud
SMB	Server Message Block
SMEs	Small And Medium Enterprises
STP	Software Technology Park
STPI	Software Technology Parks of India
TADF	Technology Acquisition and Development Fund
TASL	Tata Advanced Systems Ltd
TCS	Tata Consultancy Services
TFA	Trade Facilitation Agreement
TV	Television
UAM	Udyog Aadhaar Memorandum
UAN	Udyog Aadhaar Number
UNIDO	United Nations Industrial Development Organization
US Fed	United States Federal Reserve
US\$/ US dollar	United States Dollar, the official currency of United States of America
US/ U.S./ USA	United States of America

Term	Description
USP	Unique Selling Proposition
VLSI	Very Large Scale Integration
WEO	World Economic Outlook
WPI	Wholesale Price Index

CONVENTIONAL AND GENERAL TERMS/ABBREVIATIONS

Term	Description
A.Y./AY	Assessment Year
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AoA	Articles of Association
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
CA	Chartered Accountant
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as - Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as - Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as - Category III foreign portfolio investors under the SEBI FPI Regulations
CB	Controlling Branch
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Cm	Centimetre
CMD	Chairman and Managing Director
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
CS	Company Secretary
CST	Central Sales Tax
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant

Term	Description
DP ID	Depository Participant's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
F.Y./FY	Financial Year
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FIs	Financial Institutions
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FTP	Foreign Trade Policy
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Networth Individual
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended.
ICAI	Institute of Chartered Accountants of India
ICDR Regulations/ SEBI Regulations/ (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
INR	Indian National Rupee
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time

Term	Description
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 172 of this Red Herring Prospectus
KVA	Kilovolt-ampere
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
LM	Lead Manager
Ltd.	Limited
MD	Managing Director
MICR	Magnetic Ink Character Recognition
Mn	Million
MoA	Memorandum of Association
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non Banking Finance Company
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NI Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NSE EMERGE	EMERGE Platform of National Stock Exchange of India
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
Pvt.	Private
QIB	Qualified Institutional Buyer
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC	Registrar of Companies
ROE	Return of Equity
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SARFAESI	The Securitisation and Reconstruction of Financial Assets and

Term	Description
	Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments 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 Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations / Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
Sec	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	SME Platform of NSE Limited
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TNW	Total Net Worth
TRS	Transaction Registration Slip
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
u/s	Under Section
UIN	Unique Identification Number
UOI	Union of India
US/ U.S. / USA/ United States	United States of America
USD / US\$ / \$	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.

Term	Description
w.e.f.	With effect from
WDV	Written Down Value
WTD	Whole-time Director
YoY	Year over year

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 335 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled “*Financial Statements*” beginning on page 198 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factor*” beginning on page 21 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 105 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 232 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.



PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

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

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 198 this Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 198 of this Red Herring Prospectus.

CURRENCY OF PRESENTATION

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

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

INDUSTRY AND MARKET DATA

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

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



Although we believe that industry data used in this Red Herring Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “*Risk Factors*” beginning on page 21 of this Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

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



FORWARD LOOKING STATEMENT

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

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

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

For a further discussion of factors that could cause our actual results to differ, refer to section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 21 and 232 respectively of this Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Red Herring Prospectus. Neither we, our Directors, Book Running Lead Manager, Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the BRLM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II – RISK FACTORS

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

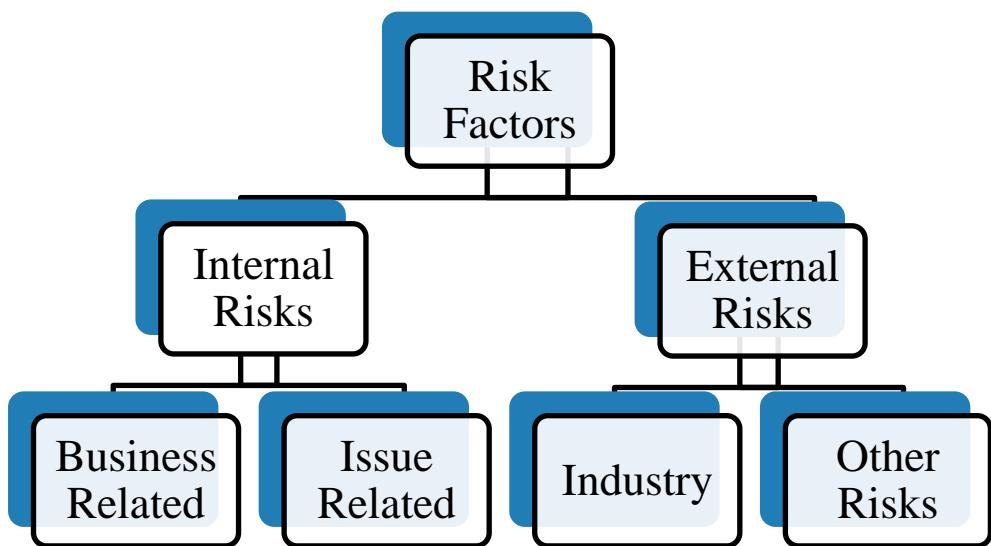
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 143, “Our Industry” beginning on page 108 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 232 respectively, of this Red Herring Prospectus as well as other financial information contained herein.

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

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

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

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



INTERNAL RISKS

A. Business Related Risks

- Our Company, its Promoters, Directors and Group Companies are currently involved in certain legal and tax related proceedings which are currently pending at various stages with relevant authorities at various jurisdictions. Our Company is involved in civil proceedings which are pending at Permanent Lokadalat level and certain other direct and indirect tax related proceedings pending with relevant tax authorities. Any adverse decision in such proceedings may render us liable to liabilities and penalties and may adversely affect our business and results of operations.*

Our Company, its Promoters, Directors and Group Companies are currently involved in certain legal and tax related proceedings. Notices have been issued to our Company, Promoters, Directors and Group Companies under Income Tax Act, 1961 and are pending with authorities at various jurisdictions; any adverse decisions in such proceedings may adversely affect our business. Notices have been issued to the Company to present before Permanent Lokadalat, Mumbai for amicable settlement of pre litigation disputes involving non payment of bills for the services availed. Certain Customs and Central Sales Tax related proceedings are pending against the Company involving a considerable amount. Certain documents related to tax related proceedings involving directors, promoters and group companies are not traceable.

Also, we cannot assure that we, our promoters, our directors, our group companies or our subsidiary companies may not face legal proceedings in future; any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Companies and Subsidiaries please refer the chapter titled “Outstanding Litigations and Material Developments” on page 243 of this Red Herring Prospectus.

Except as mentioned below, there are no legal proceedings by or against our Company, Directors, Promoters, Group Companies or Subsidiary Companies. A classification of legal proceedings is mentioned below:

Name of Entity	Criminal Proceedings	Civil/ Arbitration Proceedings	Tax Proceedings	Labour Disputes	Consumer Complaints	Complaints under Section 138 of NI Act, 1881	Aggregate amount involved (Rs. In lakhs)
Company							
By the Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	13	12	Nil	Nil	Nil	29.71

Name of Entity	Criminal Proceedings	Civil/ Arbitration Proceedings	Tax Proceedings	Labour Disputes	Consumer Complaints	Complaints under Section 138 of NI Act, 1881	Aggregate amount involved (Rs. In lakhs)
Promoters							
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	2	Nil	Nil	Nil	0.00*
Group Companies							
By Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against Group Companies	Nil	Nil	4	Nil	Nil	Nil	0.17
Directors other than promoters							
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	8	Nil	Nil	Nil	5.13
Subsidiaries							
By the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil	Nil

*Amount involved is Rs. 184/-

2. Our failure to identify and understand evolving industry trends and preferences and to develop new products to meet our customers' demands may materially adversely affect our business.

Changes in consumer preferences, regulatory or industry requirements or in competitive technologies may render certain of our products obsolete or less attractive. Our ability to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products on a timely basis is a significant factor in our ability to remain competitive. However, there can be no assurance that we will be able to secure the necessary technological knowledge, which will allow us to develop our product portfolio in this manner. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies and our business and results of operations may be adversely affected. Moreover, we cannot assure you that we will be able to achieve the technological advances that may be necessary for us to remain competitive or that certain of our products will not become obsolete. We are also subject to the risks generally associated with new product introductions and applications, including lack of market acceptance, delays in product development and failure of products to operate properly. To compete effectively in the information technology industry, we must be able to develop and produce new products to meet our customers' demand in a timely manner. Our failure to successfully develop and produce new products, could materially adversely affect our results of operations.

3. We do not have firm commitment agreements with our customers. If our customers choose not to source their requirements from us, our business and results of operations may be adversely affected.

Our business model is primarily a B2B model, wherein we make sales to customers who in turn sell it to the ultimate consumer. Our customers usually are awarded such contracts through tenders. We therefore do not have long-term supply agreements with our customers and instead rely on purchase orders to govern the volume and other terms of our sales of products. Also, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, it may adversely impact our production schedules. Consequently, there is no commitment on the part of the customer to continue to place new work orders with us and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customers' vendor preferences. Also since our customers themselves do not have firm commitment agreements with the ultimate customers as their business is tender driven, we cannot expect firm orders regularly from our loyal customers.

Further, we may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss. Additionally, our customers have high and stringent standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers' expectations could result in the cancellation or non-renewal of contracts or purchase orders. There are also a number of factors, other than our performance that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition.

4. *We may not be successful in implementing our strategies, particularly diversifying our product base by introducing new products such as GPS tracking devices and televisions, which could adversely affect our business, results of operations and future prospects.*

The success of our business depends greatly on our ability to effectively implement our business and strategies. See "Our Business" beginning on page 143 of this Red Herring Prospectus. Even if we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategies on time and within the estimated budget, or that we will meet the expectations of targeted customers. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions. We expect our strategies to place significant demands on our management and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to effectively manage our business and strategies could have an adverse effect on our business, financial condition and profitability. One of our key strategies is expanding our product base. At present, we focus on the sales of IT hardware products and we intend to diversify our product base by introducing new products such as GPS tracking devices and televisions because of the growth potential of this segment. Our strategy of expanding our business into other segments involves understanding different market dynamics, product specifications, technology and other factors, which we may currently be unfamiliar with. In addition as we enter new markets, we are likely to compete with not only national players, but also local players who might have an established local presence. Particularly, with respect to television, we may have to face strong competition with the established brands and compete only on basis of pricing. Also diversification of product base may result in huge fixed costs and research and development costs at inception against a slow inflow of revenue from operations. There can be no assurance that we shall be able to successfully diversify our product base or receive an acceptable response from the market, more particularly in view of lack of experience in such sector. If we are unable to execute our strategies effectively, our business and financial results will be adversely affected. Our inability to manage the expansion of our business could have an adverse effect on our business, results of operations and financial condition.

5. *Minimal entry barriers into manufacturing and assembling of Information technology hardware products may attract many players from both organized and unorganized sectors which will escalate competition and resultant price pressure on the products.*

There are minimum entry barriers for manufacturing and assembling of Information technology hardware products. Raw materials and technical knowledge required could be easily made available. Further, the initial investment required to provide such products is not huge in terms of amount and resources. Also the manpower who plays a key role in assembling of a product does not require expertise technical knowledge and can execute the work with basic technical knowledge and training. With such minimal entry barriers, this industry may attract many players from both organised and unorganised sectors. The entry of these players may result in competition and resultant price pressure on the products. The management, however, believes that setting up of a sustainable business model is dependent on several factors which are the cornerstones of the Company's business model including critical factors as promoter hands-on experience, long term association with customers, goodwill in the industry, qualitative products, ability to execute large orders within specified timelines etc.

6. Our top five customers contribute more than 75% and top ten customers contributed more than 80% of our revenues from operations for the year ended March 31, 2016. Any loss of business from one or more of them may adversely affect our revenues and profitability.

Our top five customers contributed to a substantial portion of our revenues for the year ended March 31, 2016. Our business model is primarily a B2B model, wherein we make sales to customers who in turn sell it to the ultimate consumer. Our customers usually are awarded such contracts through tenders. Thus the composition and revenue generated from these clients might change as we continue to add new customers in normal course of business. Since our business is concentrated among relatively few significant customers, and certain of our products are provided on a non-recurring, project by project basis, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business we obtain from them is reduced for any reason, including as a result of a dispute or disqualification. Any decline in our quality standards, growing competition and any change in the demand for our products by these customers may adversely affect our ability to retain them. We believe we have maintained good and long term relationships with our customers. However, there can be no assurance that we will continue to have such long term relationship with them. Also any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

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

Our business is working capital intensive primarily on account of high debtor days and inventory levels. A significant portion of our working capital is utilized towards trade receivables and inventories. Summary of our working capital position is given below:-

Particulars	For the period ended December 31 2016	For the year ended March 31,				
		2016	2015	2014	2013	2012
A. Current Assets						
A. Inventories	790.98	1,271.54	576.66	421.09	751.83	613.97
B. Trade Receivables	2,398.52	1,427.15	1,359.75	701.85	596.45	278.44
C. Cash and Bank Balances	47.75	217.37	133.54	58.02	92.77	52.71
D. Short Term Loans & Advances & Other Current Assets	168.98	174.62	41.73	70.22	74.53	37.36
B. Current Liabilities						
A. Trade Payables	1,305.40	1,025.40	732.13	419.60	551.61	276.89
B. Other Current Liabilities	172.62	265.71	147.55	104.90	95.86	107.86
C. Short Term Provision	168.81	100.59	69.02	20.04	30.25	4.28
Working Capital (A-B)	1,759.42	1,698.98	1,162.98	706.64	837.86	593.45
Inventories as % of total current assets	23.22%	41.14%	27.31%	33.66%	49.61%	62.49%
Trade receivables as % of total current assets	70.42%	46.18%	64.39%	56.09%	39.35%	28.34%

Our business is working capital intensive and involves a lot of investment in inventory as well as debtors. Our Company intend to continue growing by reaching out to newer customers and also increasing the sales in the existing customers. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled "Objects of the Issue" beginning on page 96 of this Red Herring Prospectus.

8. Over dependence on imported raw materials may adversely affect our business and result of operations. Further such imports also subject us to exchange rate fluctuations which could have a material and adverse affect on our result of operations and financial condition.

Major raw materials used for production of our IT hardware products include microprocessors, motherboards, cabinets, storage devices and operating software, etc. majority of which are imported by us from countries like Taiwan, China and Singapore. Of these raw materials, prices of some raw materials such as microprocessor and storage devices are also volatile. Over dependence on imports and unavailability of such products from domestic producers may adversely affect our profitability in case the trade relations of India with any of countries from where raw materials are imported get strained in future or the suppliers face any sort of problems due to internal issues of producing countries. Decrease in the availability of raw materials which we require, or volatility in the price of these raw materials may significantly and adversely affect our business, financial condition and results of our operations if we are unable to estimate and accordingly adjust the prices of our product.

Further the exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Significant exchange rate fluctuations may affect our Company's business as it may alter the costs of the imports significantly or depreciate our exports revenue. Further at present, our Company does not hedge its foreign exchange exposure. Any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our Company's results of operations.

9. We have experienced growth in the past few years and if we are unable to sustain or manage our growth, our business, results of operations and financial condition may be materially adversely affected.

We have experienced growth in the past five years. For FY 2016, we had Rs. 4973.35 lakhs of total revenue, as compared to Rs. 2311.83 Lakhs for the FY2012. Our operations have also grown considerably over the last five years. We may not be able to sustain our rates of growth, due to a variety of reasons including a decline in the demand for our products, increased price competition, non-availability of raw materials, lack of management availability or a general slowdown in the economy. A failure to sustain our growth may have an adverse effect on our business, results of operations and financial condition. We are embarking on a growth strategy which involves deepening, diversifying and expanding our customer base by expanding our product portfolio, focusing on advanced technology and higher profit products and focusing on operational efficiencies to improve returns. Such a growth strategy will place significant demands on our management as well as our financial, accounting and operating systems. Further, as we scale-up and diversify our products, we may not be able to execute our operations efficiently, which may result in delays, increased costs and lower quality products. We cannot assure you that our future performance or growth strategy will be successful. Our failure to manage our growth effectively may have an adverse effect on our business, results of operations and financial condition.

10. Our peer reviewed auditor has emphasised on certain matters in its report on restated financial statements.

Our peer reviewed auditor has emphasised on certain matters in its report on restated financial statements with respect to Foreign Currency Transactions occurred during certain period being translated by the Company into rupees at the exchange rate prevailing on the date of respective payments or receipts. This practise is not consistent with AS 11 "The effects of changes in foreign Exchange Rates (Revised 2003)". However, impact of the same is not material and hence no adjustment is made in restated financial information. Further it has also drawn attention to the fact that due to practical difficulties, average rate of excise duty on closing stock is excluded from the value of inventories for respective years. For further details, please refer "Financial Statements as Restated" on page 234 of this Red Herring Prospectus. Investors should consider the same in evaluating our financial position, cash flows and results of operations.

11. During past years of operations, we have experienced major portion of sales during the last quarter of the respective financial year.

Historically, we typically experience higher sales of our products in the last quarter of the fiscal year in light of the fact that we cater to B2B segment which is driven by budgets and expansion plans which invariably crystallise in the last two quarters of the financial year and the executions are completed in the last quarter. The second quarter of each year is typically the slowest season during a fiscal year. Due to these factors, comparisons of sales and operating results between the same periods within a single year, or between different periods in different financial years, are not necessarily meaningful and should not be relied on as indicators of our performance. We routinely attempt to forecast the demand for our products to ensure we purchase the proper amount of raw materials and employ the right amount of labour to execute our projects. If our estimates materially differ from actual demand, we may experience either excess quantities of raw materials and unsold stock, which we may not be able to utilize or sell in a timely manner or at all or inadequate quantities of raw materials and consequently lower stock of finished goods to meet market demand.

12. *Our success depends in large part upon the strength of our personnel. If we fail to attract, retain and manage transition of these personnel, our business may be unable to grow and our revenue could decline*

We believe that the industry in which we operate faces competitive pressures in recruiting and retaining skilled and unskilled labour. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. The attrition rate of employees in our industry is generally high. If we cannot hire and retain additional qualified personnel, our ability to obtain new projects and to continue to expand our business will be impaired and our revenue could decline. We believe that there is significant competition within our industry for professionals with the necessary skills. We may not be able to hire and retain enough skilled and experienced employees to replace those who leave. Increasing competition for technology professionals may also impact our ability to retain personnel. Changes in government policies may also affect our ability to attract, hire and retain personnel. Additionally, we may not be able to reassign or train our employees to keep pace with continuing changes in technology, evolving standards and changing client preferences. Furthermore, our ability to attract and retain highly skilled professionals is dependent on the compensation we offer them. If we are unable to offer them higher compensation, we may be unable to attract or retain them. Our business, financial condition and results of operations could be adversely affected if we are unable to manage employee hiring and attrition to achieve a stable and efficient workforce structure. We have not experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past; there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

13. *Our failure to compete effectively could have an adverse effect on our business, results of operations, financial condition and future prospects.*

We operate in a highly competitive market with competitors who have been in business longer than we have, with financial and other resources that are far greater than ours. Some of our competitors may have certain other advantages over us, including established track record, superior product offerings, wide distribution tie-ups, larger product portfolio, technology, research and development capability and greater market penetration, which may allow our competitors to better respond to market trends. They may also have the ability to spend more aggressively on marketing and distribution initiatives and may have more flexibility to respond to changing business and economic conditions than we do. Further, some of our competitors are large domestic and international information technology companies. We may not be able to compete with them to engage some of the large distributors, who may prefer to distribute products for such companies with a large portfolio of information technology and other products.

14. *Our Company does not own the land on which our manufacturing facility is located. Also we have taken our registered office on lease from third parties.*



Our Company does not own the land on which our manufacturing facility is located. The land has been taken on lease for a period of three years commencing from March 1, 2017. Further we have also taken our registered office on lease from third party. If we are unable to renew the lease or if the lease is not renewed on favourable conditions, it may affect our operations adversely. Also if we do not comply with certain conditions of the lease agreement, it may lead to termination of the lease. In the event of non-renewal or termination of the lease, we may have to vacate our current premises and shift to new premises. There can be no assurance that we shall be able to find a suitable location, or one at present terms and conditions. Any additional burden due to shifting of premises, or increased rental expenses, may adversely affect our business operations and financial conditions.

For details on properties taken on lease/rent by us please refer to the heading titled "Land & Property" in chapter titled "Our Business" beginning on page 143 of this Red Herring Prospectus.

15. Our Company has made non compliances and lapsed/made delay in certain filings under various Statutory Acts applicable to it in the past years.

Our Company has made delay in certain filings under various Statutory Acts applicable to it in the past years. Due to these delays in filings, our Company had on several occasions paid the requisite late fees. Further our Company has not complied with certain statutory provisions such as the following:

- In past, our Company has accepted money from few persons who were not members/directors or their relatives at the time of receipt of such money and hence violated the provisions of section 58A of the Companies Act, 1956.

Although we have not been furnished with any notices by the RoC/any other statutory authority with respect to these non-compliances, such non-compliances may in the future render us liable to statutory penalties and could have serious consequences on our operations. While this could be attributed to technical lapses and human errors, our Company has appointed a whole time Company Secretary and is in the process of setting up a system to ensure that requisite filings and compliances are done within the applicable timelines.

16. Increase in costs or a shortfall in availability of our raw materials could have a material adverse effect on our Company's sales, profitability and results of operations.

Our Company is dependent on third party suppliers for procuring our raw materials. We are exposed to fluctuations in the prices of these raw materials as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers and our major requirement is met in the spot market. The cost and availability of our raw materials are subject to a variety of factors and any increase in their cost and their availability at a reasonable price or at all, could adversely affect our margins, sales and results of operations. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources, we would be unable to meet our production schedules for some of our key products and to deliver such products to our customers in timely fashion, which would adversely affect our sales, margins and customer relations. We cannot assure you that a particular supplier will continue to supply the required components or raw materials to us in the future. Any change in the supplying pattern of our raw materials can adversely affect our business and profits. Though we enjoy favourable terms from the suppliers both in prices as well as in supplies, our inability to obtain high quality materials in a timely and cost-effective manner would cause delays in our production cycles and delivery schedules, which may result in the loss of our customers and revenues.

17. We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. All the government and other statutory approvals are required to be transferred in the name of Panache Digilife Limited from Vardhaman Technology Private Limited pursuant to conversion and name change of our company and any failure or delay in obtaining such approvals or renewal of the same in a timely manner may adversely affect our operations.

We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we may need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. We were a private limited company in the name of "Vardhaman Technology Private Limited". After complying with the relevant provisions and procedures of Companies Act, 2013, the Company was converted into a public limited company followed by a change of name of the Company to "Vardhaman Technology Limited". The Company further changed its name from "Vardhaman Technology Limited" to "Panache Digilife Limited" pursuant to Rule 29 of the Companies (Incorporation) Rules, 2014. We shall be taking necessary steps for transferring the approvals in new name of our company. In case we fail to transfer/obtain the same in name of the company same may adversely affect our business or we may not be able to carry our business operations.

Further, the Company has applied for following approvals which are pending with the relevant authorities at various jurisdictions:

- Application no. 5864 dated December 25, 2016 to the Pollution Control Office Committee – Union Territories of Daman & Diu and Dadra and Nagar Haveli for Consent to establish under Water (Prevention and Control of Pollution) Act 1974, Consent for emission under Section 21 of Air (Prevention and Control of Pollution) Act, 1981 and Renewal of Authorisation under Rule 5 of the Hazardous Wastes (Management, handling & Trans boundary movement) Rules 2008,
- Application for Single Window System (SWIFT) clearance for renewal of consent for operation of unit.

Further, the Company has not applied for Change of address for Professional Tax Enrolment Certificate and Professional Tax Registration Certificate. Any failure or delay in obtaining the abovementioned approvals in a timely manner may adversely affect our operations.

Any failure to apply for and obtain the required approvals, licences, registrations or permits in a timely manner, or any suspension or revocation of any of the approvals, licences, registrations and permits would result in a delay in the our business operations which could otherwise adversely affect our financial condition, results of operations and prospects of the Company. We cannot assure you that the approvals, licences, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. In addition to same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business and results of operations.

For further details, please refer the Chapter "Government and other Statutory Approvals" on page 256 of this Red Herring Prospectus.

18. *Our Company is dependent on third party transportation for the delivery of raw materials/ finished product and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.*

Our Company uses third party transportation for delivery of our raw materials and finished products. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition raw materials/ finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials or finished goods may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lockouts, inadequacies in the road infrastructure and port facilities, or other events could impair ability to procure raw materials or deliver finished goods on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.



19. Our business is dependent on certain brand names, our corporate name and logo that we may not be able to protect and/or maintain in long run; affecting the business of our Company.

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. We have entered into brand usage agreement for the period of three years commencing from April 01, 2016 with Rambhia IPR Services LLP (“Assignee” or “Licensor”) for logo “Panache” which is used for our business purpose. Further the said logo is owned by ICT Infratech Services Private Limited (“Assignor”), one of our Group Companies. An Assignment Agreement is executed between the registered owner of “Panache”, ICT Infratech Services Private Limited and Rambhia IPR Services LLP. The Assignee is not the registered user of trademark “Panache” and has not registered himself with the Registrar. In case the Assignee/Licensor is not specifically allowed to licence the Trademark through the Assignment Agreement entered with Licensor then it may adversely affect our business with respect to use of such trademark.

Our company has earlier made an application for registration of company logo “Vardhaman” under Trade Marks Act, 1999 which is currently objected. For further details, please refer the Chapter “Government and other Statutory Approvals” on page 256 of this Red Herring Prospectus.

20. Conflicts of interest may arise out of common business undertaken by our Company and our Group Companies.

Our Group Company, Panache Innovations Limited (Formerly know as Ruby Traders & Exporters Limited), ICT Infratech Services Private Limited and M/s. Eddy and Andy International Limited are also authorized to deal in same products such as computers, computer peripherals etc. in which our Company deals. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Companies in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other companies in which our Promoters have interests. There can be no assurance that our Group Companies or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

21. Our Group Company have incurred losses in the previous financial years.

Sustained financial losses by our Group Companies may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations. Our Group Company, ICT Infratech Services Private Limited have incurred losses in previous years:

Financial Performance of ICT Infratech Services Private Limited

(Rs. In Lakhs)

Particulars	2015-16	2014-15	2013-14
Paid Up Capital	3.00	3.00	3.00
Reserves & Surplus	1.89	3.52	3.15
Sales and other income	55.48	60.64	68.66
Profit/(loss) after tax	(1.63)	0.37	(0.99)
NAV (in Rs.)	16.28	21.73	20.51

There can be no assurance that our Group Company(ies), or any other ventures promoted by our Promoters, will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses.

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

Our Company has entered into certain transactions with our related parties including our Promoters, the Promoter Group, our Directors and their relatives. While we believe that all such transactions have been conducted on an arm’s length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that

such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. For details on the transactions entered by us, please refer to Annexure XXXIII “Related Party Transactions” in Section “Financial Statements” beginning on page 196 of this Red Herring Prospectus.

23. Our Company has negative cash flows from its operating activities, investing activities and Financing activities in the past years, details of which are given below. Sustained negative cash flows could impact our growth and business.

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

Particulars	For The Period Ended December 31, 2016	Amount (Rs. in Lakhs)				
		2016	2015	2014	2013	2012
Cash Flow from / (used in) Operating Activities	36.70	(116.55)	(79.13)	246.19	(61.29)	(85.46)
Cash Flow from / (used in) Investing Activities	6.63	(27.65)	(5.04)	(223.41)	(7.62)	(44.55)
Cash Flow from / (used in) Financing Activities	(212.95)	228.04	160.00	(57.55)	108.97	125.40

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

24. Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and manufacture new inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture, we may be required to write-down our inventory or pay our suppliers without new purchases or create additional vendor financing, which could have an adverse impact on our income and cash flows.

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

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

26. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees, expand our sales network and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It also is possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

27. Negative publicity could adversely affect our revenue model and profitability.

Our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our company, brand, or products, including those arising from a drop in quality of merchandise from our vendors, mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations. Further our brand may also be affected if there is any negative publicity associated with our products.

28. Our Promoters and members of Promoter Group have given guarantees in relation to certain debt facilities provided to us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.

Our Promoters and members of Promoter Group have given personal guarantee and collateral security in respect of the loan availed by us. In the event that any of these guarantees/collaterals are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could significantly affect our financial condition and cash flows.

29. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.

Our Company have taken secured loan from banks by creating a charge over our movable and immovable properties in respect of loans/facilities availed by us. The total amounts outstanding and payable by us for secured loans were Rs. 661.87 lakhs as on December 31, 2016. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on our business, financial condition and results of operations. For further details please refer to “Annexure XI- Details of Long Term Borrowings as Restated” and “Annexure XII - Details of Short Term Borrowings as Restated” of chapter titled “Financial Statements as Restated” beginning on page 198 and chapter titled “Financial Indebtedness” on page 241 of this Red Herring Prospectus.

30. Our Company has unsecured loans which are repayable on demand. Any demand loan from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

As on December 31, 2016, our Company has unsecured loans amounting to Rs. 902.10 lakhs from related and other parties that are repayable on demand to the relevant lender. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer Annexure XII - Details of Short Term Borrowings as Restated of chapter titled “Financial Statements” beginning on page 198 of this Red Herring Prospectus.

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

We have entered into agreements for availing debt facilities from lenders. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. Further certain agreements also impose financial and other restrictive covenants such as maintenance of financial ratios, submission of results, etc. There can be no assurance that we will be able to comply with the financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

For further information, see the chapter titled “*Financial Indebtedness*” on page 241 of the Red Herring Prospectus.

32. *Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.*

Few of our agreements may not be stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

33. *We have issued Equity Shares in the last twelve months, the price of which is lower than the Issue Price.*

Our Company has issued 39,00,000 Bonus Equity Shares at a price lower than the Issue price during the last twelve months. The Company has utilised the balance available in surplus in statement of profit and loss for making such bonus issuance. For further details of Equity Shares issued, please refer to chapter titled, “Capital Structure” beginning on page 77 of this Red Herring Prospectus.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Issue. We meet our capital requirements through our owned funds, bank borrowings and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Issue” beginning on page 96 of this Red Herring Prospectus.

35. *Within the parameters as mentioned in the chapter titled “Objects of the Issue” beginning on page 96 of this Red Herring Prospectus, our Company’s management will have flexibility in applying proceeds of the Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.*

We intend to use fresh Issue Proceeds towards working capital requirements, general corporate purposes and to meet the Issue expenses. We intend to deploy the Net Issue Proceeds in Financial



Year 2017-2018 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “Objects of the Issue” beginning on page 96 of this Red Herring Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “Objects of the Issue” beginning on page 96 of this Red Herring Prospectus, the management will have flexibility in applying the proceeds received by our Company from the Issue. However, the company shall comply with Section 27 of the Companies Act, 2013 before varying the Objects of the Issue. The Audit Committee will monitor the utilisation of the proceeds of this Issue.

36. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.*

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “Dividend Policy” on page 197 of this Red Herring Prospectus.

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

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

38. *Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.*

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

39. *Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Offer, which will allow them to determine the outcome of matters submitted to shareholders for approval.*

After completion of the Issue, our Promoters and Promoter Group will collectively own 70.00% of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

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

Our Directors and Key Managerial Personnel are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and Key Managerial Personnel may also be interested to the extent of their shareholding and dividend entitlement in our Company, for the loan given by them to the Company. For further information, see “*Capital Structure*” and “*Our Management*” and “*Related Party Transactions*” beginning on pages 77, 172 and 196, respectively, of this Red Herring Prospectus.

41. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.*

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

Issue Specific Risks

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

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

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

43. *The Equity shares of our Company may trade in Trade to Trade basis.*

The equity shares of our Company may trade in Trade to Trade basis as equity shares of certain shareholders belonging to category Promoter and Promoter group are in the process of

dematerialisation. In case the same does not happen, the circuit filter will be different for the shares traded under Trade to Trade basis.

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

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

EXTERNAL RISK FACTORS

Industry Risks:

45. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

Other Risks

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

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

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax (“STT”) has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Further, any gain realised on the sale of

listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India, if securities transaction tax has been paid on the transaction. Any gain realised on the sale of shares held for more than 36 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of equity shares held for a period of 36 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, may be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

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

As stated in the reports of the Auditor included in this Red Herring Prospectus under chapter “Financial Statements as restated” beginning on page 198, the financial statements included in this Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

49. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- custom duties on imports of raw materials and components;
- excise duty on certain raw materials and components;
- central and state sales tax, value added tax and other levies; and
- Other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

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

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

51. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be

affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

52. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy, Information Technology industry, Electronic Products Industry contained in the Red Herring Prospectus.*

While facts and other statistics in this Red Herring Prospectus relating to India, the Indian economy, information technology industry and Electronic Products Industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled '*Our Industry*' beginning on page 108 of the Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

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

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

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

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the

transportation of goods and supplies, and costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

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

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

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

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

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

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

PROMINENT NOTES

1. Public Issue of 18,00,000 Equity Shares of face value of Rs. 10/- each of our Company for cash at a price of Rs. [•]/- per Equity Share including a premium of Rs.[•]/- per Equity Shares ("Issue Price") aggregating upto Rs. [•] Lakhs, of which 92,800 Equity Shares of face value of Rs. 10/- each will be reserved for subscription by Market Maker to the Issue ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Net Issue of 17,07,200 Equity Shares of face value of Rs. 10/- each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 30.00% and 28.45%, respectively of the post Issue paid up equity share capital of the Company.
2. Investors may contact the Book Running Lead Manager (BRLM) or the Company Secretary & Compliance Officer for any complaint / clarification / information pertaining to the Issue. For contact details of the Book Running Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "*General Information*" beginning on page 66 of this Red Herring Prospectus.
3. The pre-issue net worth of our Company was Rs. 567.20 lakhs as at December 31, 2016 and Rs. 422.89 lakhs as at March 31, 2016. The book value of each Equity Share (as adjusted for bonus) was Rs. 13.50 as at December 31, 2016 and Rs. 10.07 as at March 31, 2016 as per the restated financial statements of our Company. For more information, please refer to section titled "*Financial Statements as Restated*" beginning on page 198 of this Red Herring Prospectus.
4. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Amit Rambhia	14,00,000	0.71

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Nikit Rambhia	14,00,000	0.71

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled "*Capital Structure*" beginning on page number 77 of this Red Herring Prospectus.

5. Our Company has entered into related party transactions during the previous years. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer *Annexure "XXXIII" "Related Party Transactions"* under chapter titled "*Financial Statements as restated*" beginning on page 198 of this Red Herring Prospectus.
6. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled "*Issue Structure*" beginning on page 282 of this Red Herring Prospectus.
7. Except as disclosed in the chapter titled "*Capital Structure*", "*Our Promoter and Promoter Group*", "*Our Management*" and "*Related Party Transactions*" beginning on pages 77, 187, 172 and 196 respectively, of this Red Herring Prospectus, none of our Promoters, Directors, Group Companies or Key Management Personnel has any interest in our Company.
8. Except as disclosed in the chapter titled "*Capital Structure*" beginning on page 77 of this Red Herring Prospectus, we have not issued any Equity Shares for consideration other than cash.
9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
10. Investors are advised to refer to the chapter titled "*Basis for Issue Price*" beginning on page 102 of the Red Herring Prospectus.
11. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Red Herring Prospectus with the Stock exchange.
12. Our Company was originally incorporated as "Vardhaman Technology Private Limited" at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 30, 2007 bearing Corporate Identification Number U72200MH2007PTC169415 issued by Registrar of Companies, Maharashtra, Mumbai. Subsequently, our Company was converted into Public Company pursuant to Shareholders resolution passed at the Extraordinary General Meeting of our Company held on January 23, 2017 and the name of our company was changed to "Vardhaman Technology Limited" and a fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated February 15, 2017 was issued by the Registrar of Companies, Mumbai, Maharashtra. Further, the name of our Company was changed to "Panache Digilife Limited" and a Certificate of Incorporation pursuant to change of name dated February 22, 2017 was issued by the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identification Number (CIN) of our Company is U72200MH2007PLC169415.
For further details of Incorporation, change of name and registered office of our Company, please refer to the chapter titled "*Our History and Certain Other Corporate Matters*" beginning on page 167 of this Red Herring Prospectus.
13. Except as stated in the chapter titled "*Risk Factors*" beginning on page 21, chapter titled "*Our Group Companies*" beginning on page 191 and chapter titled "*Related Party Transactions*" beginning on page 196 of this Red Herring Prospectus, our Group Companies have no business interest or other interest in our Company.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 21 and 198 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION TO ELECTRONIC PRODUCTS INDUSTRY

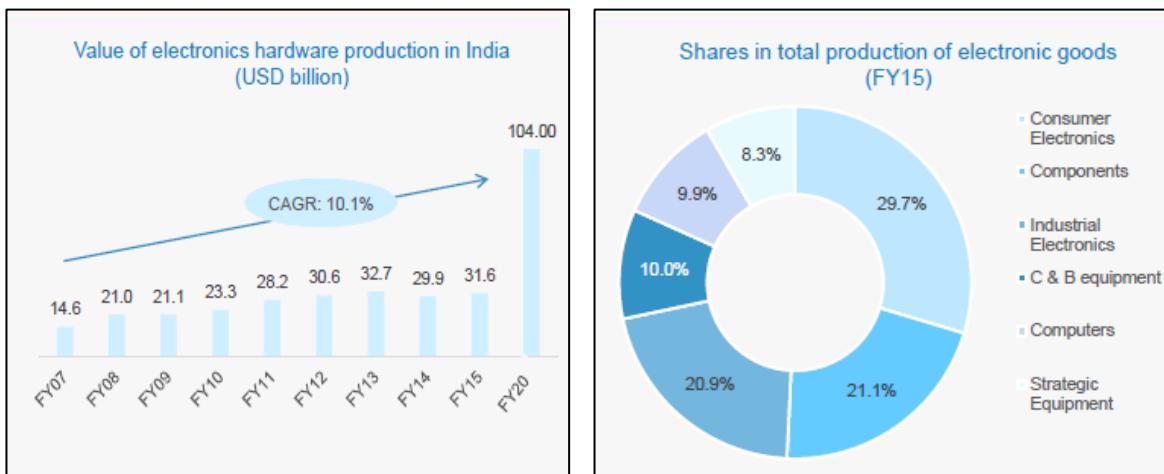
The electronics market of India is one of the largest in the world and is anticipated to reach US\$ 400 billion in 2022 from US\$ 69.6 billion in 2012. The market is projected to grow at a compound annual growth rate (CAGR) of 24.4 per cent during 2012-2020. Total production of electronics hardware goods in India is estimated to reach US\$ 104 billion by 2020. The communication and broadcasting equipment segment constituted 31 per cent, which is the highest share of total production of electronic goods in India in FY13, followed by consumer electronics at 23 per cent.

Electronic exports from India were expected to reach US\$ 8.3 billion in FY13, a CAGR of 27.9 per cent during FY07–12. Technological improvements and competitively cost effectiveness are main drivers for demand of Indian electronics products abroad. The Government of India has set up Electronic Hardware Technology Parks (EHTPs), Special Economic Zones (SEZs) and brought about a favourable climate for foreign direct investment (FDI). It has also increased liberalisation and relaxed tariffs to promote growth in the sector. In addition, the government gave its green signal to the Modified Special Incentive Package Scheme (MSIPS) under which the central government will be offering up to US\$ 1.7 billion in benefits to the electronics sector in next five years.

The growing customer base and the increased penetration in consumer durables segment have provided enough scope for the growth of the Indian electronics sector. Also, digitisation of cable could lead to increased broadband penetration in the country and open up new avenues for companies in the electronics industry.

(Source: Indian Electronics Industry Analysis India Brand Equity Foundation, www.ibef.org)

INDIAN ELECTRONICS MARKET: STATISTICAL OVERVIEW



(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

INTRODUCTION TO INFORMATION TECHNOLOGY INDUSTRY

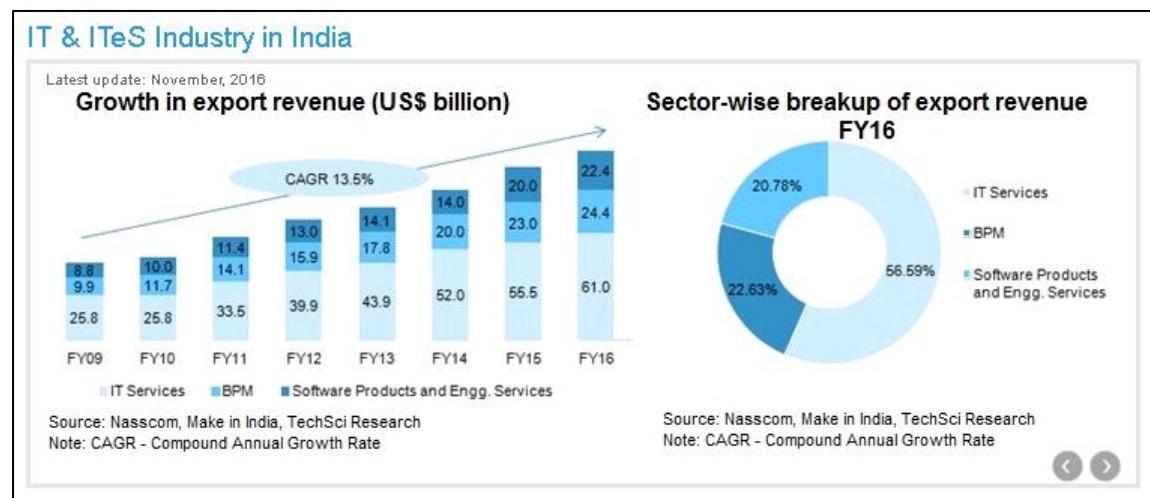
India is the world's largest sourcing destination, accounting for approximately 55 per cent of the US\$ 146 billion market. The country's cost competitiveness in providing Information Technology (IT) services, which is approximately 3-4 times cheaper than the US, continues to be its Unique Selling Proposition (USP) in the global sourcing market.

India's highly qualified talent pool of technical graduates is one of the largest in the world and is available at a cost saving of 60-70 per cent to source countries. This large pool of qualified skilled workforce has enabled Indian IT companies to help clients to save US\$ 200 billion in the last five years.

India's IT industry amounts to 12.3 per cent of the global market, largely due to exports. Export of IT services accounted for 56.12 per cent of total IT exports (including hardware) from India. The Business Process Management (BPM) segment accounted for 23.46 per cent of total IT exports during FY15. The IT-BPM sector is estimated to expand at a CAGR of 9.5 per cent to US\$ 300 billion by 2020. The Government of India has extended tax holidays to the IT sector for software technology parks of India (STPI) and Special Economic Zones (SEZs). Further, the country is providing procedural ease and single window clearance for setting up facilities.

(Source: Indian IT and ITeS Industry Analysis, India Brand Equity Foundation, www.ibef.org)

INFORMATION TECHNOLOGY INDUSTRY: STATISTICAL OVERVIEW



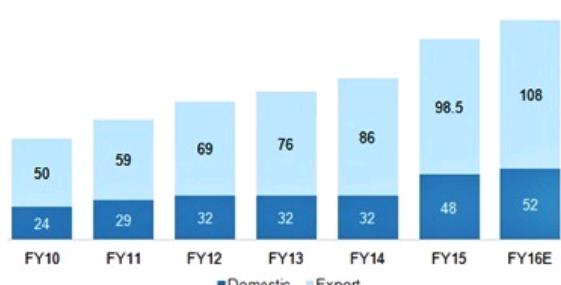
IT & ITeS Industry in India

Latest update: November, 2016

India's IT market size growing

- India's technology and BPM sector (including hardware) is likely to generate revenues of US\$ 160 billion during FY16 compared to US\$ 146.5 billion in FY15, implying a growth rate of 9.2 per cent
- The contribution of the IT sector to India's GDP rose to approximately 9.5 per cent in FY15 from 1.2 per cent in FY98
- TCS is the market leader, accounting for about 10.4 per cent of India's total IT & ITeS sector revenue in FY16
- The top five IT firms contribute over 25 per cent to the total industry revenue, indicating the market is fairly competitive

Market size of IT industry in India (US\$ billion)



Source: Nasscom, Make in India, TechSci Research

Note: E - Estimates



(Source: Indian IT and ITeS Industry Analysis, India Brand Equity Foundation, www.ibef.org)

GLOBAL ECONOMIC ENVIRONMENT

GLOBAL ECONOMIC OVERVIEW

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

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

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

(Source-Economic Survey 2015-16-Volume II; www.indiabudget.nic.in)

GLOBAL OUTLOOK FOR GROWTH

One important positive outcome in 2015 was the modest pick-up in growth in some of the advanced economies. It might be recalled that after falling in 2009 due to the 2008 global financial crisis, growth in emerging and developing economies rebounded in 2010 and 2011. While advanced economies also exhibited a recovery in 2010 thanks to the large stimuli, global growth continued to be tepid relative to the average of the decade ending 2006, largely on account of the slowdown in advanced economies. Spill over effects of the crisis may have been large, prolonged and bi-directional, given that the global integration is far greater than in the prior decade. This has made the

task of projecting global economic outlook arduous. This uncertainty has led to the International Monetary Fund (IMF) revising the global growth outlook in its World Economic Outlook (WEO) four times a year since 2009.

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

Overall global economic activity remained subdued in 2015, as growth in emerging market and developing economies (EMDE) declined for the fifth consecutive year and recovery in advanced economies was modest. This is also attributable to the changing composition of the global economy and relative point contributions to global growth. The fall in the contribution of the EMDEs is not being made good by the advanced economies. A recent feature is that the Chinese economy is gradually slowing down and is transitioning from investment demand to consumption demand and from manufacturing to services. The concern over the spill overs of subdued global growth to other economies through trade channels and weaker commodity prices is manifest in diminishing confidence and increasing volatility in financial markets. In addition, a dual monetary policy-a gradual tightening in monetary policy in the US in the backdrop of its resilient recovery and easy monetary policy in several other major advanced economies has led to continued uncertainties and poses challenges for the year ahead. In the case of EMDEs, growth remained subdued at 4 per cent in 2015, but is projected to increase to 4.3 per cent in 2016 and 4.7 per cent in 2017. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17. Assessments indicate that mixed inflation developments in EMDEs reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year.

The 19 January WEO Update also indicated that India and the rest of emerging Asia are bright spots, albeit with some countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness. The IMF's growth forecast for India is 7.5 per cent in 2016 and 2017 and this surpasses the projection of 6.3 per cent and 6.0 per cent respectively for China. The level of global economic activity has a significant and direct bearing on the growth prospects of the emerging economies through trade channels. As per the Update, world trade volume growth projections have been placed at 3.4 per cent and 4.1 per cent respectively for 2016 and 2017 lower by 0.7 percentage points to 0.5 percentage point respectively from WEO, October 2015. The World Bank's Report on Global Economic Prospects (January 2016) also estimated that India will grow by a robust 7.8 per cent in 2016 and 7.9 per cent in the following two years. Compared to other major developing countries, the report maintained that India is well positioned to withstand near-term headwinds and volatility in global financial markets due to reduced external vulnerabilities, a strengthening domestic business cycle, and a supportive policy environment.

(Source-Economic Survey 2015-16-Volume II; www.indiabudget.nic.in)

REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

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

- Even as real growth has been accelerating, nominal growth has been falling, to historically low levels, an unusual trend highlighted in the Mid-Year Economic Analysis (MYEA), 2015-16.
- According to the Advance Estimates, nominal GDP (GVA) is likely to increase by just 8.6 (6.8) percent in 2015-16.
- In nominal terms, construction is expected to stagnate, while even the dynamic sectors of trade and finance are projected to grow by only 7 to 7 3/4 percent.
- Inflation remains under control. The CPI-New Series inflation has fluctuated around 5 1/2 percent, while measures of underlying trends—core inflation, rural wage growth and minimum support price increases—have similarly remained muted. Meanwhile, the WPI has been in negative territory since November 2014, the result of the large falls in international commodity prices, especially oil. As low inflation has taken hold and confidence in price stability has improved, gold imports have largely stabilized, notwithstanding the end of a period of import controls
- Similarly, the external position appears robust. The current account deficit has declined and is at comfortable levels; foreign exchange reserves have risen to US\$351.5 billion in early February 2016, and are well above standard norms for reserve adequacy; net FDI inflows have grown from US\$21.9 billion in April-December 2014-15 to US\$27.7 billion in the same period of 2015-16; and the nominal value of the rupee, measured against a basket of currencies, has been steady. India was consequently well-positioned to absorb the volatility from the U.S. Federal Reserve actions to normalize monetary policy that occurred in December 2015. Although the rupee has declined against the dollar, it has strengthened against the currencies of its other trading partners.
- The fiscal sector registered three striking successes: on-going fiscal consolidation, improved indirect tax collection efficiency; and an improvement in the quality of spending at all levels of government.
- Government tax revenues are expected to be higher than budgeted levels. Direct taxes grew by 10.7 per cent in the first 9 months (9M) of 2015-16. Indirect taxes were also buoyant. In part, this reflected excise taxes on diesel and petrol and an increase in the Swachh Bharat cess. The central excise duty collection from petroleum products during April to December 2015-16 recorded a growth of 90.5 per cent and stood at Rs.1.3 lakh crore as against Rs. 0.7 lakh crore in the same period last year. Tax performance also reflected an improvement in tax administration because revenues increased even after stripping out the additional revenue measures (ARMs). Indirect tax revenues grew by 10.7 per cent (without ARMs) and 34.2 per cent (with ARMs).
- The main findings are that a welcome shift in the quality of spending has occurred from revenue to investment, and towards social sectors. Aggregate public investment has increased by about 0.6 per cent of GDP in the first 8 months of this fiscal year, with contributions from both the Centre (54 per cent) and states (46 per cent).

(Source-Economic Survey 2015-16-Volume I, www.indiabudget.nic.in)

OUTLOOK FOR GROWTH

Real GDP growth for 2015-16 is expected to be in the 7 to $7^{3/4}$ range, reflecting various and largely offsetting developments on the demand and supply sides of the Indian economy. Before analysing these factors, however, it is important to step back and note one important point. India's long-run potential GDP growth is substantial, about 8-10 percent. But its actual growth in the short run will also depend upon global growth and demand. After all, India's exports of manufactured goods and services now constitute about 18 percent of GDP, up from about 11 percent a decade ago.

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

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

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

- To measure the demand for India's exports, we calculate a proxy-weighted average GDP growth rate of India's export partners. The weights are the shares of partner countries in India's exports of goods and services. We find that this proxy for export demand growth declined from 3.0 percent in 2014 to 2.7 per cent in 2015, which helps explain the deceleration in India's non-oil exports, although the severity of the slowdown—in fact, a decline in export volume—went beyond adverse external developments. Current projections by the IMF indicate that trading partner growth this year will improve marginally to about 2.8 percent. But the considerable downside risks suggest that it would be prudent not to count on a big contribution to GDP growth from improving export performance.
- On the domestic side, two factors could boost consumption. If and to the extent that the Seventh Pay Commission (7th PC) is implemented, increased spending from higher wages and allowances of government workers will start flowing through the economy. If, in addition, the monsoon returns to normal, agricultural incomes will improve, with attendant gains for rural consumption, which over the past two years of weak rains has remained depressed.
- Against this, the disappearance of much of last year's oil windfall would work to reduce consumption growth. Current prospects suggest that oil prices (Indian crude basket) might average US\$ 35 per barrel next fiscal year compared with US\$ 45 per barrel in 2015-16. The resulting income gain would amount roughly equivalent to 1 percentage point of GDP – an 18 per cent price decline times a share of net oil imports in GDP of 6 percent. But this would be half the size of last year's gain, so consumption growth would slow on this account next year.
- According to analysis done by Credit Suisse, (non-financial) corporate sector profitability has remained weak, falling by 1 percent in the year to December 2015. This decline reflected a sharp deterioration in the financial health of the metals—primarily steel—companies, which have now joined the ranks of companies under severe financial stress. As a result, the proportion of corporate debt owed by stressed companies, defined as those whose earnings are insufficient to cover their interest obligations, has increased to 41 percent in December 2015, compared to 35 percent in December 2014.³ In response to this stress, companies have once again been compelled to curb their capital expenditures substantially.

- Finally, the path for fiscal consolidation will determine the demand for domestic output from government. The magnitude of the drag on demand and output will be largely equal to the size of consolidation, assuming a multiplier of about 1.
- There are three significant downside risks. Turmoil in the global economy could worsen the outlook for exports and tighter financial conditions significantly. Second, if contrary to expectations oil prices rise more than anticipated, this would increase the drag from consumption, both directly, and owing to reduced prospects for monetary easing. Finally, the most serious risk is a combination of the above two factors. This could arise if oil markets are dominated by supply-related factors such as agreements to restrict output by the major producers.
- The one significant upside possibility is a good monsoon. This would increase rural consumption and, to the extent that it dampens price pressures, open up further space for monetary easing.
- Putting these factors together, we expect real GDP growth to be in the 7 to $7^{3/4}$ per cent range, with downside risks because of on-going developments in the world economy. The wider range in the forecast this time reflects the range of possibilities for exogenous developments, from a rebound in agriculture to a full-fledged international crisis; it also reflects uncertainty arising from the divergence between growth in nominal and real aggregates of economic activity.

(Source-Economic Survey 2015-16-Volume I, www.indiabudget.nic.in)

INDIA'S INCREASING IMPORTANCE TO GLOBAL GROWTH

Despite global headwinds and a truant monsoon, India registered robust growth of 7.2 per cent in 2014-15 and 7.6 per cent in 2015-16, thus becoming the fastest growing major economy in the world. As per the estimates of the International Monetary Fund (IMF), global growth averaged 3.1 per cent in 2015, declining from 3.4 per cent registered in 2014. While growth in advanced economies has improved modestly since 2013, the emerging economies have witnessed a consistently declining trend in growth rate since 2010. It is against this background that the recent Indian growth story appears particularly bright.

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

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

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

(Source-Economic Survey 2015-16-Volume II, www.indiabudget.nic.in)

GLOBAL MANUFACTURING SECTOR

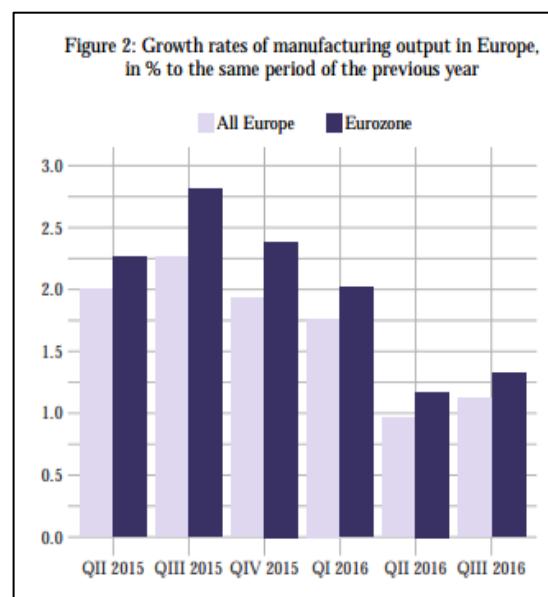
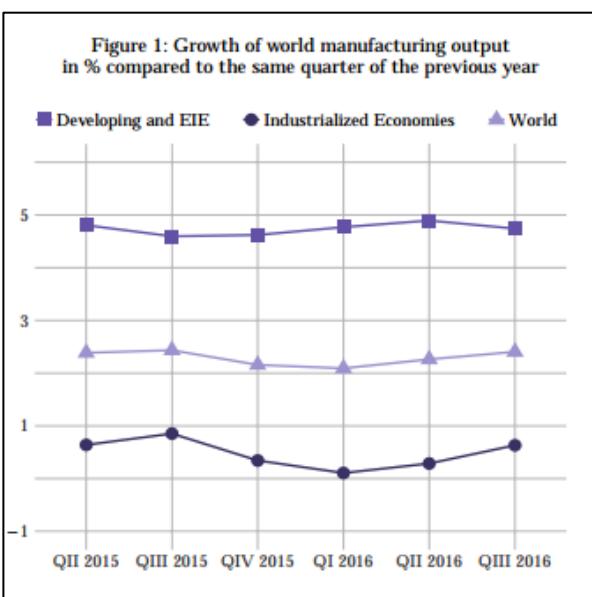
World manufacturing growth

World manufacturing output growth remained low during the third quarter of 2016, reflecting a prolonged yet fragile recovery process in industrialized economies and weakened growth prospects in developing and emerging industrial economies. Although the world manufacturing growth trend has been relatively stable with a lower degree of volatility, there is no clear indication yet that the current period of low growth will end any time soon. On the contrary, the uncertainty accompanying the political developments in trans-Atlantic relations with a potential impact on global trade arrangements may create new risks.

World manufacturing output rose by 2.4 per cent in the third quarter of 2016 compared to the same period of the previous year. The positive trends with some improvement in growth figures since the last quarter were observed across all country groups (Figure 1), including industrialized countries and the world average.

In response to the persistently low growth in manufacturing, enterprises and policymakers have introduced some structural reforms. However, the results of these reforms are yet to be seen. Major industrialized economies with significant contributions to global manufacturing output, namely the United States, Japan and Germany, continue to record low growth rates. In China, the world's largest manufacturer, comparably lower growth rates have now became more prevalent, thus pushing the average industrial growth of emerging industrial economies downward.

The manufacturing output of industrialized economies increased slightly to 0.6 per cent in the third quarter of 2016 from 0.3 per cent in the previous quarter. This rise is primarily attributable to the performance of East Asia, which registered a low, but positive growth rate at 0.8 per cent in the third quarter of 2016 following several consecutive slumps that have lasted for nearly two years. The main force driving this upturn is Japan, East Asia's major manufacturer – its manufacturing sector seems to have withstood sluggish external demand fairly well amid a soaring yen in the third quarter of this year. Production increase in Europe had a positive impact on the manufacturing growth of industrialized countries as a whole. By contrast, the growth of North America's manufacturing output slowed in the third quarter of 2016 to a negligible gain of 0.1 per cent.



The manufacturing growth rate in developing and emerging industrial economies has remained below 5.0 per cent since the beginning of 2015. Manufacturing output in these countries rose by 4.7 per cent in the third quarter of 2016. The region's growth performance varied considerably: Asian economies maintained a relatively higher growth rate, while Latin America's manufacturing output decreased.

Brazil's manufacturing output fell, affecting the growth performance of the entire region. Some improvement was seen in Africa, primarily due to the strengthening of South Africa's manufacturing output. Rising growth rates were also recorded in other African countries, though data for sub-Saharan African countries is generally limited. Despite some improvements, the threat of another slowdown looms over developing economies as long as economic and political instability persists in industrialized countries.

As depicted in Figure 1, the level of growth in developing economies has been consistently higher than in industrialized countries. The pace of growth exhibits similar trends in both country groups, with a slightly more positive picture for industrialized countries as their growth performance moves upward

(Source: *World Manufacturing Production- Statistics for Quarter III, 2016; United Nations Industrial Development Organisation - www.unido.org*)

Key Findings of the analysis

Global manufacturing production maintained a positive growth in nearly all industries in the third quarter of 2016. High and medium-high manufacturing industries held top positions – the manufacture of motor vehicles rose by 6.4 per cent, the production of computers, electronics and optical products grew by 4.6 per cent and the production of pharmaceutical products by 3.4 per cent. Among other fast growing industries, the production of textiles increased by 3.1 per cent. By contrast, the largest loss was recorded by the tobacco industry, with its global production declining by 8.0 per cent.

As regards durable and capital goods, the manufacture of non-metallic mineral products, which essentially supply construction materials, registered a growth figure of 2.5 per cent worldwide. The manufacture of furniture, the production of machinery and equipment and of fabricated metal products rose at a moderate pace by 1.6 per cent, 1.4 per cent and 1.0 per cent, respectively. The pace of the growth of the global manufacturing of basic metals slowed to below 1.0 per cent, mostly due to a significant slowdown reported by China and a visibly decreased production of basic metals in the Russian Federation in the third quarter of 2016.

Global manufacturing output maintained relatively high growth rates in the production of basic consumer goods. The manufacture of food products rose by 3.3 per cent, beverages by 2.9 per cent and wearing apparel by 0.8 per cent. As regards other low-technology manufacturing sectors, the global production of wood products rose by 2.9 per cent, while the manufacturing of paper products only increased by 1.0 per cent.

As illustrated in Figure 4, the growth performance of developing and emerging industrial economies outperformed industrialized economies in all manufacturing industries, including a number of high-technology industries. Disaggregated data by industrialized economies indicate that the performance of industrialized countries was evenly split among all manufacturing industries according to technological intensity. The fastest growing industry in both country groups was the automotive industry, reflecting strong growth of automobile production in China as well as in European countries.

(Source: *World Manufacturing Production- Statistics for Quarter III, 2016; United Nations Industrial Development Organisation - www.unido.org*)

MANUFACTURING SECTOR IN INDIA

Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, had launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy.

India's ranking among the world's 10 largest manufacturing countries has improved by three places to sixth position in 2015#.

The Government of India has set an ambitious target of increasing the contribution of manufacturing output to 25 per cent of Gross Domestic Product (GDP) by 2025, from 16 per cent currently.

Market Size

India's manufacturing sector has the potential to touch US\$ 1 trillion by 2025. There is potential for the sector to account for 25-30 per cent of the country's GDP and create up to 90 million domestic jobs by 2025. Business conditions in the Indian manufacturing sector continue to remain positive.

Road Ahead

The Government of India has an ambitious plan to locally manufacture as many as 181 products. The move could help infrastructure sectors such as power, oil and gas, and automobile manufacturing that require large capital expenditure and revive the Rs 1,85,000 crore (US\$ 27.42 billion) Indian capital goods business. India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

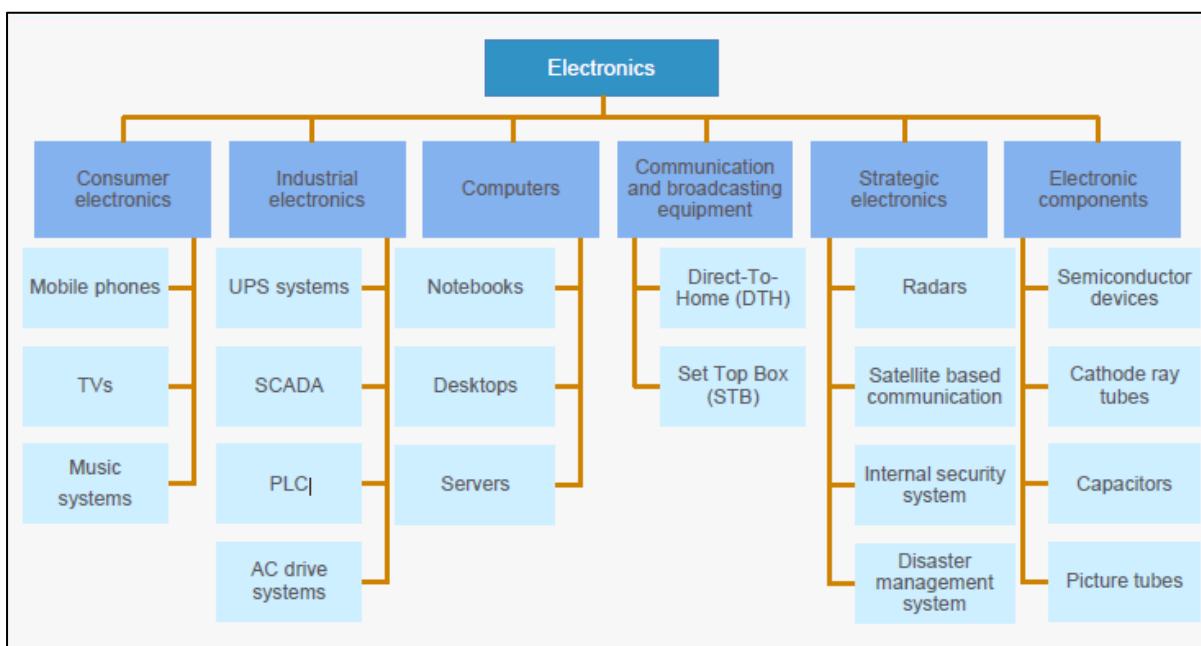
Exchange Rate Used: INR 1 = US\$ 0.0149 as on September 30, 2016

References: Media Reports, Press Releases, Press Information Bureau, McKinsey & Company

Notes:- According to 'The Yearbook' a report by United Nations Industrial Development Organization (UNIDO)

(Source: Manufacturing Sector in India - India Brand Equity Foundation, www.ibef.org)

INDIAN ELECTRONICS SECTOR SEGMENTATION



(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

GROWTH DRIVERS OF ELECTRONICS INDUSTRY

- Increase in discretionary income and credit availability has boosted demand for consumer durables
- The government is one of the biggest consumers of the sector and leads the corporate spend on electronics; this is not surprising given that electronics facilitates e-governance, developmental schemes and initiatives launched by the government
- Strong demand and favourable investment climate in the sector are attracting investments in R&D as well as manufacturing.
- Increasing demand for defence equipment's has boosted the production of electronics goods up to a considerable level
- Electronic Manufacturing Services and R&D based exports also drives the market. The increased value – addition would further increase the demand for sales, production, after – sales support and services. This would trigger the demand for skilled human resources in the country
- Rapid urbanisation have unravelled new markets for consumer goods; easy financing options have made consumer goods affordable

(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

MULTIPLE FACTORS FAVOUR INVESTMENT IN ELECTRONICS

Growing customer base

Market for electronics is expected to expand at a CAGR of 66.1 per cent during 2015–20. The demand for electronics hardware in India is projected to increase to USD139 billion by 2018

Incentives and concessions under schemes

Export Oriented Unit (EOU) Scheme, Electronics Hardware Technology Park (EHTP) Scheme, Software Technology Park (STP) Scheme and EOU/EHTP/STP Schemes

Targeted reduction in import bill

Domestic electronic production accounts for around 45.0 per cent of the total market demand. Therefore, in order to reduce the import bill, the government plans to boost the domestic manufacturing capabilities and is considering a proposal to give preference to Indian electronic products in its purchases

Increasing penetration in the consumer durables segment

Consumer durables market in India is characterised by low penetration in various product segments, viz. 1.0 per cent in microwaves, 3.0 per cent in ACs, 16.0 per cent in washing machines, 18.0 per cent in refrigerators, etc. Higher disposable incomes are leading to realisation of penetration potential in various product segments, especially in rural areas

Policy and investment support

To compliment the targeted reduction in import bill, the government has proposed a minimum investment of USD555.0 million for semiconductor manufacturing plants and USD222.0 million for ecosystem units. This is considered a major step toward attracting foreign companies to set up manufacturing facilities in India. In Union Budget 2016 – 17, inputs, parts, components & subparts for manufacturing of charger/adapter, battery & wired handsets/speakers of mobile phones are fully exempted from Basic Customs Duty (BCD), Counter Veiling Duty (CVD) and Special Additional Duty (SAD)

(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

ADVANTAGE INDIA

Growing demand

Demand from households is set to accelerate given rising disposable incomes, changing lifestyles, and easier access to credit. Government and corporate spending will also contribute to growth in demand.

Attractive opportunities

The electronics market is expected to expand at a CAGR of 41.4 per cent during 2016–20. Intended reduction in government's import bill is likely to boost domestic electronics manufacturers.

Higher Investments

Sector has attracted strong investments in the form of M&As and other FDI inflows. Companies are set to augment investments in production, distribution and R&D in the next few years. Government has received investment proposals for USD17.5 million for which they intend to provide incentives under M-SIPS scheme. Applications received before July, 2020 will be considered.

Policy support

100 per cent FDI allowed in the electronics hardware manufacturing sector under the automatic route. Initiatives like Modified Special Incentive Package Scheme (M-SIPS) will provide a capex subsidy of 20 – 25 per cent. As per Make in India Initiative, Electronic Development Fund Policy has been approved which would rationalise an inverted duty structure.

(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

INDIAN SERVICE SECTOR

Introduction

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

Market Size

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

According to a report by leading research firm Market Research Store, the Indian telecommunication services market is expected to grow by 10.3 per cent year-on-year to reach US\$ 103.9 billion by 2020. The Indian digital classifieds industry is expected to grow three-fold to reach US\$ 1.2 billion by 2020, driven by growth in horizontal classifieds like online services, real estate and automobiles.[#]

Out of overall services sector, the sub-sector comprising financial services, real estate and professional services contributed US\$ 305.8 billion or 20.5 per cent to the GDP. The sub-sector of community, social and personal services contributed US\$ 188.2 billion or 12.6 per cent to the GDP.

Road Ahead

Services sector growth is governed by both domestic and global factors. The sector is expected to perform well in FY16. The Indian facilities management market is expected to grow at 17 per cent CAGR between 2015 and 2020 and surpass the \$19 billion mark supported by booming real estate,

retail, and hospitality sectors. The performance of trade, hotels and restaurants, and transport, storage and communication sectors are expected to improve in FY17. Loss of growth momentum in commodity-producing sectors had adversely impacted transport and storage sectors over the past two years. The financing, insurance, real estate, and business services sectors are also expected to continue their good run in FY17. The growth performance of the community, social and personal services sector is directly linked with government expenditure and we believe that the government will remain committed to fiscal consolidation in FY16.

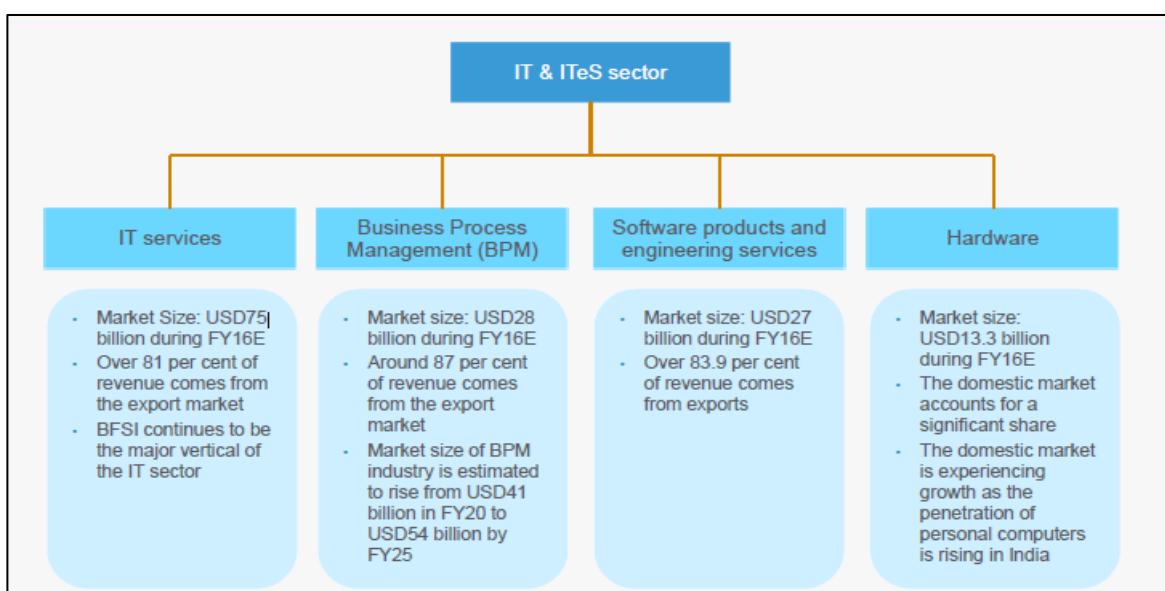
Exchange Rate Used: INR 1 = US\$ 0.0149 as on September 21, 2016

References: Media Reports, Press Releases, DIPP publication, Press Information Bureau, India budget 2015-16

Note -!- The Economic Survey 2015-16; [#]- according to a report by Google India and KPMG

(Source: Service Sector in India - India Brand Equity Foundation www.ibef.org)

SEGMENTS OF INDIA'S IT SECTOR



(Source: IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org)

INDIAN INFORMATION TECHNOLOGY INDUSTRY

Introduction

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.

The IT-BPM sector which is currently valued at US\$ 143 billion is expected to grow at a Compound Annual Growth Rate (CAGR) of 8.3 per cent year-on-year to US\$ 143 billion for 2015-16. The sector is expected to contribute 9.5 per cent of India's Gross Domestic Product (GDP) and more than 45 per cent in total services export in 2015-16.

Market Size

The Indian IT sector is expected to grow at a rate of 12-14 per cent for FY2016-17 in constant currency terms. The sector is also expected triple its current annual revenue to reach US\$ 350 billion by FY 2025#.

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

India's internet economy is expected to touch Rs 10 trillion (US\$ 146.72 billion) by 2018, accounting for 5 per cent of the country's GDP###. India's internet user base reached over 400 million by May 2016, the third largest in the world, while the number of social media users grew to 143 million by April 2015 and smartphones grew to 160 million.

Public cloud services revenue in India is expected to reach US\$ 1.26 billion in 2016, growing by 30.4 per cent year-on-year (y-o-y)^A. The public cloud market alone in the country was estimated to treble to US\$ 1.9 billion by 2018 from US\$ 638 million in 2014^A. Increased penetration of internet (including in rural areas) and rapid emergence of e-commerce are the main drivers for continued growth of data centre co-location and hosting market in India. The Indian Healthcare Information Technology (IT) market is valued at US\$ 1 billion currently and is expected to grow 1.5 times by 2020^{AA}. India's business to business (B2B) e-commerce market is expected to reach US\$ 700 billion by 2020 whereas the business to consumer (B2C) e-commerce market is expected to reach US\$ 102 billion by 2020^{AA}.

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: *IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org*)

GROWTH DRIVERS

Talent Pool

6 million graduates are estimated to have been added to India's talent pool in FY16, wherein, ITBPM employees are estimated to reach 3.7 million. There is strong mix of young and experienced professionals.

Global Demand

Global BPM spending estimated to rise by 4.4% and reach USD2.7 billion in 2015. Global IT services spending witnessed decline by almost 5.5 per cent, reaching USD3.5 trillion in 2015.

Policy Support

Tax holidays for STPI and SEZs. More liberal system for raising capital, seed money and ease of doing business. As a part of Union Budget 2016-17, the government has made changes in custom & excise duty of IT hardware products.

Infrastructure

Robust IT infrastructure across various cities in India such as Bengaluru. Technology mission for services in villages and schools, training in IT skills and E-Kranti for government service delivery and governance scheme.

Domestic growth

Computer penetration expected to increase. Increasing adoption of technology and telecom by consumers and focused government initiatives leading to increased ICT adoption.

(Source: *IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org*)

TECHNOLOGY – A KEY INFLUENCER FOR DOMESTIC IT INDUSTRY

Indian IT companies like TCS, Tech Mahindra Limited, IT Sector Segmental Breakup - By Companies (FY15) Mphasis, HCL Technologies Limited, Larsen & Tourbo Infotech Limited, Wipro Technologies Limited, Oracle Financial, Infosys Technologies Limited are expanding their footprint in order to meet client's requirements globally Indian Firms have started adopting the global delivery model to cater to the local market and for taking advantage of low cost.

Introduction of large e-Governance projects to provide better services through IT and focus on the formation of the cyber policy led to higher demand for IT and hardware from the government. The Central Government and State/UT Government allocated 0.9–1.2 per cent and 2.8–3 per cent, respectively, of total budget for IT spend under the 12th Five Year Plan.

Strong consumer demand for IT service and products:

- Advent of smartphones, tablets and iPads
- Industry leaders are stressing the need for promoting support start-ups
- Rising computer literate population
- Enhanced internet and mobile penetration
- Growing disposable income strengthening consumer purchasing power
- Emerging verticals (retail, healthcare, utilities) are driving growth above 14 per cent

(Source: *IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org*)

ADVANTAGE INDIA

Growing demand

There is a strong growth in demand for exports from new verticals. Rapidly growing urban infrastructure has fostered several IT centres in the country. There is expanding economy to propel growth in local demand.

Global footprints

IT firms in India have delivery centres across the world; as of 2015, IT firms had a total of 670 centres in 78 countries. India's IT industry amounts to 12.3 per cent of the global market, largely due to exports. IT & ITeS industry is well diversified across verticals such as BFSI, telecom and retail.

Competitive advantage

Cost savings of 60–70 per cent over source countries. A preferred destination for IT & ITeS in the world; continues to be a leader in the global sourcing industry with 55 per cent market share. The Indian IT industry has saved clients USD200 Billion in the past five years.

Policy support

Tax holidays extended to the IT sector. More liberal system for raising global capital, funding for seed capital & growth, and ease of doing business, etc. have been addressed. USD0.17 billion have been allocated for raising global capital, start ups. Income Tax cut on royalty fee on tech services to 10 per cent. Cumulative FDI inflow in computer software & hardware is USD21,018 million from April 2000 to March 2016

FY16E Industry value: USD160 billion

FY25F Industry value: USD350 billion

(Source: *IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org*)

SUMMARY OF BUSINESS

OVERVIEW

Incorporated in March, 2007, our Company “Panache Digilife Limited” is engaged in Information and Communication Technology manufacturing, distribution and services. Our Company came into existence, with a goal to become a market leader in ‘white box’ segment (unbranded – assembled/ customized based computer systems) by maintaining low cost of production. Our Company started by acquiring the business of M/s. Vardhaman Computers, a proprietary concern of Mr. Nikit Rambhia, as a going concern through a Business Assignment Agreement dated April 5, 2007. Over the years we have ventured into distribution of components and at present we are able to provide a varied range of IT infrastructure products and embedded solutions. The registered office of our Company is situated at Mumbai and our manufacturing facility is situated at Daman.

Our Company is promoted by Amit Rambhia and Nikit Rambhia, who have more than a decade of experience in information technology sector. With experience, backed by educational qualifications, it is the vision and dedication of our Promoters which has paved the growth path of our Company. Our Promoters believes in the ideology of continuous improvement and developing innovation and it is their vision to make our Company a world class, competitive IT hardware manufacturing, distributing and service provider with a global recognition.

We are a turnkey manufacturer with the ability to bring customer’s original concept and ideas into series production. We work with individual and Companies at all stages of design and manufacture, from the stage of conceptualisation to the point of completion, with such efforts so as to bring industry and commercial level products and services to consumers. We are a customer oriented solution provider Company with our offerings ranging across diverse hardware and embedded solutions.

We are also an ISO 9001:2008 certified Company and have a diverse product basket comprising of thin clients, point of sales, digital signage, education solutions, healthcare embedded – PC, ATM Kiosk, etc. Recently we have also added GPS Tracking Solutions and televisions to our product portfolio. The revenue from operations of the company for the financial year 2015-2016 was Rs. 4914.07 lakhs as compared to Rs. 2,303.06 lakhs for the financial year 2011-12 showing an increase of 113.37%. Our product wise revenue for FY 15 -16 is as follows OEM products : Rs. 2011.25 lakhs, Air PC : Rs. 317.35 lakhs, Computer Systems : Rs. 2055.24 lakhs, IT Peripherals :Rs. 505.19 lakhs, GPS Units : Rs.25.04 lakhs. Our business model is primarily a B2B model wherein we sell goods to parties who sells them to end users. Since we have such a diverse product offering, our end users also belong to different industrial sectors. In our operating history of around a decade, we have had clienteles from banks to educational institutions to retail supermarkets to hotels to well known corporate houses. Our manufacturing facility is situated at Daman and spread over more than 6,000 sq. ft. We have quality management processes and semi automated assembly line in place to ensure speedy and consistent delivery of products to the B2B Market. According to customer requirements, operating systems and software packages are loaded using automated software loading facilities. We generally provide one year warranty for our standard range of products. We also provide additional warranty packs at additional costs.

Our Company at present caters to both domestic and international markets. We have customers based out of Dubai, Iran, Riyadh, Sri Lanka, etc. To expand our operations, we have recently incorporated a subsidiary in Dubai which shall aid us in B2B e-commerce market place. We are also Local Device Partner (L-OEM or Named Partner) for Microsoft and also have a Microsoft License Agreement. We are authorized to procure Windows, Server & Office Licenses directly from Microsoft. We can sell our devices under the brand Name “Panache” with Windows OS, Windows Server & Office Licenses preloaded. We have been promoting brand Panache products since 2008 and are eligible to use “Panache” for our product range under the brand usage agreement dated October 4, 2016 with Rambhia IPR Services LLP for a period of three years.

Our Company aims to provide cost effective electronics manufacturing solutions available while adhering to the high standards of the service, delivery and quality. The company strives to establish

strong relationships with clients and collaborate with them to drill down on the best manufacturing solution.

Our select credentials:

- ISO 9001:2008 Company
- Microsoft OEM Named Account
- Permanent SSI Registered & MSME Registered

Our few awards and recognitions:

- “Best System Builder” award in 2010, 2011, 2012 & 2013 by CRN
- “Intel Embedded Hero” award in 2012
- “SME National Award for Excellence” in IT 2012 by Bangalore Institute of Technology at Astra 2012
- “Edge Innovation award” in 2014 by Information Week, UBM

OUR COMPETITIVE STRENGTHS



Our Product Range

Our range of products is as follows:-

1. Thin client
2. Point of sale
3. Mini PC
4. Flash Disk
5. Air PC
6. Nano PC's
7. Tablets
8. Panel PC
9. Tracking and GPS Solutions
- 10.LED TV

SUMMARY OF FINANCIAL STATEMENTS
ANNEXURE I SUMMARY OF STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

Sr. No .	Particulars	For the period ended Dec 31 2016	Amount (Rs in Lakhs)				
			2016	2015	2014	2013	2012
	Equity & Liabilities:						
A.	Shareholders' Funds :						
	(a) Share Capital	30.00	30.00	30.00	30.00	30.00	30.00
	(b) Reserves & Surplus	537.20	392.89	254.71	155.56	112.52	78.13
	Sub-Total (1)	567.20	422.89	284.71	185.56	142.52	108.13
B.	Share Application Money Pending Allotment:						
	Sub-Total (2)	-	-	-	-	-	-
	LIABILITIES:						
C.	Non Current Liabilities:						
	(a) Long Term Borrowings	34.49	49.71	67.31	97.42	5.38	7.97
	(b) Deferred Tax Liabilities (Net)		4.83	8.80	5.29		
	(c) Other Long Term Liabilities	14.04	14.04	-	-	-	-
	(d) Long Term Provisions	25.98	23.51	20.31	12.04	9.94	6.42
	Sub-Total (3)	74.51	92.10	96.41	114.75	15.32	14.40
D.	Current Liabilities:						
	(a) Short Term Borrowings	1,497.28	1,545.32	1,125.36	761.67	810.15	603.80
	(b) Trade Payables	1,305.40	1,025.40	732.13	419.60	551.61	276.89
	(c) Other Current Liabilities	172.62	265.71	147.55	104.90	95.86	107.86
	(d) Short Term Provisions	168.81	100.59	69.02	20.04	30.25	4.28
	Sub-Total (4)	3,144.10	2,937.02	2,074.05	1,306.21	1,487.88	992.82
	TOTAL LIABILITIES (1+2+3+4)	3,785.50	3,452.01	2,455.18	1,606.51	1,645.72	1,115.36
	ASSETS :						
E.	Non Current Assets						
	(a) Fixed Assets						
	I. Tangible Assets	330.68	330.40	326.36	337.84	95.31	106.18
	II. In Tangible Assets	1.06	1.24	0.95	1.15	1.22	0.99
	(b) Non Current Investments	-	-	-	-	-	-
	(c) Deferred Tax Assets	11.84				7.16	9.38
	(d) Long Term Loans and Advances	33.75	27.45	13.96	14.41	24.50	16.33
	(e) Other Non Current Assets	2.24	2.24	2.24	1.93	1.95	-
	Sub-Total (5)	379.57	361.33	343.51	355.33	130.14	132.88
F.	Current Assets						
	(a) Current Investment						
	(b) Inventories	790.98	1,271.54	576.66	421.09	751.83	613.97
	(c) Trade Receivables	2,398.52	1,427.15	1,359.75	701.85	596.45	278.44
	(d) Cash and Bank Balances	47.75	217.37	133.54	58.02	92.77	52.71
	(e) Loans and Advances	168.98	157.71	41.73	68.98	74.11	36.20
	(f) Other Current Assets	-	16.92	-	1.24	0.42	1.16
	Sub-Total (6)	3,406.24	3,090.68	2,111.67	1,251.18	1,515.58	982.48
	TOTAL ASSETS (5+6)	3,785.80	3,452.01	2,455.18	1,606.51	1,645.72	1,115.36

ANNEXURE II SUMMARY OF STATEMENT OF PROFIT AND LOSS, AS RESTATED:-
Amount (Rs. In Lakhs)

Sr. No.	Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
			2016	2015	2014	2013	2012
A.	Income						
	Revenue From Operations	3,215.84	4,914.07	3,942.85	2,450.55	2,359.16	2,303.06
	Other Income	22.41	59.29	11.76	23.79	9.20	8.78
	Total Revenue	3,238.25	4,973.35	3,954.62	2,474.34	2,368.35	2,311.83
B.	Expenses						
	Cost of Raw Material Consumed	1,103.51	3,605.57	2,842.60	1,579.37	1,358.61	1,422.25
	Purchase of Stock in Trade	1,253.86	451.86	400.51	287.89	651.98	597.35
	(Increase)/ Decreases in Inventories of Finished Goods, Work in Progress and Traded Goods	114.83	(96.49)	(81.72)	81.84	(74.84)	(13.05)
	Employee benefits expense	197.00	331.25	261.10	197.23	167.75	114.18
	Depreciation and Amortisation Expenses	11.98	14.45	17.17	10.03	6.95	5.57
	Finance Costs	144.06	175.85	173.07	129.02	95.00	76.73
	Other Expenses	189.80	280.19	190.90	125.96	112.07	107.95
	Total Expenses	3,015.04	4,762.67	3,803.63	2,411.34	2,317.51	2,310.97
C.	Profit Before Tax, as Restated	223.21	210.68	150.98	63.00	50.84	0.86
D.	Tax Expense/(Income):						
	Current tax	95.59	76.43	48.33	7.51	13.94	7.01
	Income tax of earlier year	-	0.03	-	-	0.28	0.41
	Deferred tax Charge/(Credit)	(16.68)	(3.63)	3.50	12.45	2.43	(6.73)
	Total tax expense	78.91	72.50	51.83	19.96	16.45	0.68
	Restated Profit / (Loss) for the Period / Year Carried Forward to Summary Statement of Assets and Liabilities, as Restated	144.31	138.18	99.16	43.04	34.39	0.18
	Earning Per Share:						
	Basic & Diluted	48.10	46.06	33.05	14.35	11.46	0.06

Annexure III - Statement of Cash Flows, as restated for the period / year ended:

Amount (Rs in Lakhs)

Particulars	31st December 2016	March 31,				
		2016	2015	2014	2013	2012
A. CASH FLOW FROM OPERATING ACTIVITIES						
Net profit before taxation	223.21	210.68	150.98	63.00	50.84	0.86
Non cash adjustments to reconcile profit before tax to net cash flows						
Depreciation and amortisation expense	11.98	14.45	17.17	10.03	6.95	5.57
Finance Costs	144.06	175.85	173.07	129.02	95.00	76.73
Lease Rent	(17.99)	(4.62)	-	-	-	-
Loss/(profit) on sale/scrap of fixed assets (net)	(0.71)	-	-	(18.99)	3.13	-
Operating profit before working capital changes (as restated)	360.55	396.36	341.23	183.06	155.92	83.16
Movement in Working Capital						
(Increase)/decrease in Inventories	480.56	(694.88)	(155.56)	330.74	(137.86)	(335.07)
(Increase)/decrease in Trade Receivable	(971.38)	(67.40)	(657.90)	(105.40)	(318.02)	100.39
(Increase)/decrease in Short term loans and advances	(11.28)	(115.97)	27.25	5.13	(37.91)	(22.35)
(Increase)/decrease in other current assets	16.92	(16.92)	1.24	(0.82)	0.74	(1.16)
Increase/(decrease) in trade payables & others	280.00	293.27	312.53	(132.01)	274.72	25.26
Increase/(decrease) in Other Current Liabilities & Other Long Term Liabilities	(93.77)	130.67	43.17	(18.89)	(14.15)	84.54
Increase/(decrease) in short term and Long Term Provisions	54.01	2.52	14.01	4.62	14.51	3.63
Cash flow from operations	115.62	(72.35)	(74.03)	266.43	(62.05)	(61.51)
Direct taxes paid (including fringe benefit taxes paid) (net of refunds)	(78.92)	(44.20)	(5.09)	(20.24)	0.76	(23.85)
Net cash generated from operating activities (A)	36.70	(116.55)	(79.13)	246.78	(61.29)	(85.46)
B. CASH FLOW USED IN INVESTING ACTIVITIES						
Purchase of fixed assets, including intangible assets, capital work in progress	(11.36)	(18.79)	(5.50)	(292.00)	(2.45)	(42.57)
Proceeds from Sale of Fixed Assets	-	-	-	58.51	3.00	0.20
Increase/(Decrease) in Long Term Loans and Advances		(13.49)	0.45	10.09	(8.17)	(2.18)
Increases in Interest Receivables	-	-	-	-	-	-
Lease Rent Income	17.99	4.62	-	-	-	-

Particulars	31st December 2016	March 31,				
		2016	2015	2014	2013	2012
Net cash used in investing activities (B)	6.63	(27.65)	(5.04)	(223.41)	(7.62)	(44.55)
C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES						
Advances for IPO	(6.30)					
Proceeds/ (Repayment) from Long Term Borrowings	(14.55)	(16.07)	(30.62)	119.96	(2.38)	7.30
Proceeds/ (Repayment) from Short Term Borrowings	(48.04)	419.96	363.70	(48.49)	206.36	194.82
Finance Costs	(144.06)	(175.85)	(173.07)	(129.02)	(95.00)	(76.73)
Net cash generated from/(used in) financing activities (C)	(212.95)	228.04	160.00	(57.55)	108.97	125.40
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(169.62)	83.84	75.83	(34.57)	40.06	(4.61)
Cash and cash equivalents at the beginning of the year	217.37	133.54	58.02	92.77	52.71	56.50
Cash and cash equivalents at the end of the year	47.75	217.37	133.54	58.20	92.77	52.71
Cash and cheques on hand	5.85	8.77	6.27	8.65	7.52	3.48
Balance with scheduled banks :						
Current & Deposit account	41.90	208.60	127.26	49.37	85.25	49.23
	47.75	217.37	133.54	58.02	92.77	52.71

THE ISSUE

The following table summarizes the Issuer details:

Particulars	Details of Equity Shares
Issue of Equity Shares by Our Company	18,00,000 Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating to Rs. [●] Lakhs
Of Which:	
Market Maker Reservation Portion	92,800 Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating to Rs. [●] Lakhs
	17,07,200 Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per share aggregating Rs. [●] Lakhs
	<i>Of which</i>
Net Issue to the Public	8,54,400 Equity Shares of face value of Rs. 10/- each fully paid up of the Company at a cash price of Rs. [●]/- per Equity share aggregating Rs. [●] Lakhs will be available for allocation to Investors up to Rs. 2.00 Lakhs
	8,52,800 Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at price of [●]/- per Equity Share aggregating Rs. [●] lakhs will be available for allocation to investors above Rs. 2.00 Lakhs
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	42,00,000 Equity Shares of face value of Rs.10 each
Equity Shares outstanding after the Issue	60,00,000 Equity Shares of face value of Rs.10 each
Use of proceeds of this Issue	For further details please refer chapter titled " <i>Objects of the Issue</i> " beginning on page 96 of this Red Herring Prospectus for information on use of Issue Proceeds.

Notes:-

The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on February 17, 2017 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on February 17, 2017.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

*The allocation in the net Issue to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
 - i. Individual applicants other than retail individual investors; and
 - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- 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 on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage

For further details please refer to section titled '*Issue Information*' beginning on page 275 of this Red Herring Prospectus.



GENERAL INFORMATION

Our Company was originally incorporated as "Vardhaman Technology Private Limited" at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 30, 2007 bearing Corporate Identification Number U72200MH2007PTC169415 issued by Registrar of Companies, Maharashtra, Mumbai. Subsequently, our Company was converted into Public Company pursuant to Shareholders resolution passed at the Extraordinary General Meeting of our Company held on January 23, 2017 and the name of our company was changed to "Vardhaman Technology Limited" and a fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated February 15, 2017 was issued by the Registrar of Companies, Mumbai, Maharashtra. Further, the name of our Company was changed to "Panache Digilife Limited" and a Certificate of Incorporation pursuant to change of name dated February 22, 2017 was issued by the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identification Number (CIN) of our Company is U72200MH2007PLC169415.

For details of Incorporation, Change of Name and Registered Office of our Company, please refer to chapter titled '*Our History and Certain Other Corporate Matters*' beginning on page 167 of this Red Herring Prospectus.

REGISTERED OFFICE OF OUR COMPANY

Panache Digilife Limited

(Formerly known as Vardhaman Technology Limited)

Unit No. 201/B, Raheja Plaza-1,
L.B.S. Marg, Ghatkopar (West)
Mumbai – 400086, Maharashtra, India

Tel: +91 22-25007502

Fax: +91 22-25007502

Email: info@panachedigilife.com

Website: : www.panachedigilife.com

Corporate Identification Number: U72200MH2007PLC169415

REGISTRAR OF COMPANIES

Registrar of Companies, Maharashtra, Mumbai

100, Everest, Marine Drive
Mumbai- 400002, Maharashtra, India
Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

EMERGE Platform of NSE

National Stock Exchange of India Limited

Exchange Plaza, C/1, G Block,
Bandra Kurla Complex
Bandra (East), Mumbai - 400 051,
Maharashtra, India

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age (in Years)	DIN	Address	Designation
1.	Amit Rambhia	42	00165919	2B-113, Kalpatru Aura, LBS Marg, Ghatkopar (West) Mumbai-400086, Maharashtra, India	Managing Director
2.	Nikit Rambhia	38	00165678	3B-134,Kalpataru Aura., LBS Marg, Ghatkopar (Wes)t Mumbai – 400086, Maharashtra, India	Joint Managing Director
3.	Devchand Rambhia	69	00165851	Flat No. 3-B/134,13th Floor, Kalpataru Aura, Opp. R-City Mall, L.B.S. Marg, Ghatkopar West, Mumbai 400086	Whole Time Director
4.	Bhavin Shah	36	02919483	B-1104 Brentwood Bldg Main Street Hiranandani Gardens Powai Mumbai - 400076, Maharashtra, India	Additional Independent Director
5.	Rohit Mathur	37	06583736	1D 23, kalpatru aura LBS marg Opp. R City mall Ghatkopar (West) Mumbai- 400086, Maharashtra	Additional Independent Director
6.	Meeta Mehta	41	07515717	C2/107, Shree Shubh Karma CHS. Ltd, Plot No. 368, Scheme No: 4, Comrade Harb Anslal Mar Mumbai - 400022, Maharashtra	Additional Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 172 of this Red Herring Prospectus

COMPANY SECRETARY & COMPLIANCE OFFICER

Jinkle Khimsaria

Panache Digilife Limited

(Formerly known as Vardhaman Technology Limited)

Unit No. 201/B, Raheja Plaza-1,,

L.B.S. Marg, Ghatkopar (West)

Mumbai – 400086, Maharashtra, India

Tel: +91 22-25007502

Fax: +91 22-25007502

Email: compliance@panachedigilife.com

Website: www.panachedigilife.com



CHIEF FINANCIAL OFFICER

Nitesh Savla

Panache Digilife Limited

(Formerly known as Vardhaman Technology Limited)

Unit No. 201/B, Raheja Plaza-1,

L.B.S. Marg, Ghatkopar (West)

Mumbai – 400086, Maharashtra, India

Tel: +91 22-25007502

Fax: +91 22-25007502

Email: nitesh@vardhamantechology.com

Website: www.panachedigilife.com

Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non receipt of letters of Allotment, non credit of Allotted Equity Shares in the respective beneficiary account, non receipt of refund orders and non receipt of funds by electronic mode.

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

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

For all issue related queries and for redressal of complaints, bidders may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/ SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

STATUTORY AUDITOR

Jain Salia & Associates.

Chartered Accountants

4, Pawawala Building,

Elphinstone Road, Nr. Laxmi Niwas

Elphinstone (West), Mumbai – 400 013

Maharashtra, India

Tel No.: +91 22 2433 4447

Fax No.: Not Available

Email: jainsalia@gmail.com

Contact Person: Jayesh Salia

Firm Registration No.: 116291W

Membership No.: 165599

PEER REVIEWED AUDITOR

M/s. Maharishi & Co.

"Aparna", Behind Jeevandeep Hospital,

Limda Lane, Jamnagar - 361 001

Gujarat, India

Tele No.: +91-288-2665023

FAX: N.A

Email: info@jainandmaharishi.com

Contact Person: Kapil Sanghvi

Firm Registration No.: 124872W

Membership No.: 141168

M/s Maharishi & Co., Chartered Accountant holds a peer reviewed certificate dated February 09, 2016 issued by the Institute of Chartered Accountants of India.

BOOK RUNNING LEAD MANAGER

Pantomath Capital Advisors Private Limited

406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East)
Mumbai- 400051, Maharashtra, India

Tel: +91 22 6194 6724

Fax: + 91 22 2659 8690

Email: ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Contact Person: Kirti Kanoria

SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited

E/2, Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri East, Mumbai – 400 072,
Maharashtra, India

Tel: +91 22 4043 0200

Fax: +91 22 2847 5207

Email: ipo@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Vipin Gupta

SEBI Registration Number: INR000001385

Investor Grievance E-mail: investor@bigshareonline.com

LEGAL ADVISOR TO THE ISSUE

M V Kini, Law Firm

Kini House, 216/263, 1st Floor, Near Citi Bank,
D.N. Road, Fort, Mumbai - 400 001, Maharashtra, India

Tel: +91 22 22612527/28/29

Fax: +91 22 22612530

E-mail: vidisha@mvkini.com

Contact Person: Vidisha Krishan

Website: www.mvkini.com

BANKER TO THE COMPANY

Canara Bank

R D Shah Building, Opp. Railway Station,
Ghatkopar (West), Mumbai – 400 086

Tel: +91 22 25158852

Fax: +91 22 25138375

Email: cb0129@canarabank.com

Website: www.canarabank.com

Contact Person: Alexander John

PUBLIC ISSUE BANK / BANKER TO THE ISSUE/ REFUND BANKER

ICICI Bank Limited

Capital Market Division,
1st Floor, 122, Mistry Bhavan,
Dinshaw Vachha Road, Backbay Reclamation,
Churchgate, Mumbai – 400 020, Maharashtra, India
Tel: +91 22 2266818932
Fax: +91 22 22611138
Email: shradha.salaria@icicibank.com
Contact Person: Shradha Salaria
Website: www.icicibank.com
SEBI Registration Number: INBI00000004

IndusInd Bank Limited

IndusInd Bank, PNA House, 4th
Floor
Plot No 57 & 57/1, Road No. 17,
Near SRL, MIDC, Andheri East
Mumbai – 400093, Maharashtra,
India
Tel : +91 22 61069234
Fax : +91 22 61069315
Email: suresh.esaki@indusind.com
Contact Person: Suresh Esaki
Website: www.indusind.com
SEBI Registration Number: INBI00000002

REFUND BANKER TO THE ISSUE

ICICI Bank Limited

Capital Market Division,
1st Floor, 122, Mistry Bhavan,
Dinshaw Vachha Road, Backbay Reclamation,
Churchgate, Mumbai - 400 020, Maharashtra, India
Tel: +91 22 2266818932
Fax: +91 22 22611138
Email: shradha.salaria@icicibank.com
Contact Person: Shradha Salaria
Website: www.icicibank.com
SEBI Registration Number: INBI00000004

SYNDICATE MEMBER

Pantomath Stock Brokers Private Limited

406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East), Mumbai 400 051,
Maharashtra, India
Tel: - +91 22 6194 6774
Fax: - +91 22 2659 8690
E-mail: broking@pantomathgroup.com
Contact Person: Mahavir Toshniwal
Website: www.pantomathbroking.com
SEBI Registration Number: INZ000068338

DESIGNATED INTERMEDIARIES

Self Certified Syndicate Banks

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on [Page 70 of 381](http://www.sebi.gov.in/sebiweb/home/detail/32931/yes>List-of-Self-Certified-Syndicate-Banks-SCSBsfor-Syndicate-ASBA. For details on Designated Branches of SCSBs collecting the Application Form, please refer to the above-mentioned SEBI link.</p></div><div data-bbox=)

Registered Brokers

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

Registrar to Issue and Share Transfer Agents

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

Collecting Depository Participants

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

CREDIT RATING

This being an issue of Equity Shares, credit rating 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.

INTER-SE ALLOCATION OF RESPONSIBILITIES

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

APPRAISAL AND MONITORING AGENCY

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50,000 Lakhs. Since the Issue size is only of Rs. [●] lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of tax benefits and report on restated financials for the period ended December 31, 2016 and for the year ended March 31, 2016, 2015, 2014, 2013 and 2012 as included in this Red Herring Prospectus, our Company has not obtained any expert opinion.

BOOK BUILDING PROCESS

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the BRLM in accordance with the Book Building Process, and advertised in all editions of a widely circulated English Newspaper “Business Standard”, all editions of a widely circulated Hindi Newspaper “Business Standard”, and widely circulated Marathi Newspaper “Mumbai Lakshadeep” , (Marathi being the regional language of Maharashtra), where our registered office is situated at least five working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the BRLM in accordance with the Book Building Process after the Bid/Issue Closing Date. Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being Pantomath Capital Advisors Private Limited, the Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the BRLM;
- The Registrar to the Issue and;
- The Designated Intermediaries

This Issue is being made through the 100 per cent Book Building Process wherein 50 per cent of the Issue shall be available for allocation to Retail Individual Bidders and the balance shall be offered to QIBs and Non-Institutional Investors. Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Stock Exchange.

All Bidders (excluding Anchor Investors) can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process. In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bids prior to the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. The allocation in the net Issue to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
 - i. Individual applicants other than retail individual investors; and
 - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- 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 on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage

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

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 285 of this Red Herring Prospectus

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

Bid Quantity	Bid Price (Rs.)	Cumulative Bid Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22 in the above example. The issuer, in consultation with the Book Running Lead Manager will finalize the Issue price at or below such cut-off price, i.e., at or below Rs. 22/. All bids at or above this Issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (see section titled “Issue Procedure” on page 285. of this Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims
5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

BID / OFFER PROGRAMME

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

Event	Indicative Date
Bid/Issue Opening Date	Tuesday, April 11, 2017
Bid/Issue Closing Date	Monday, April 17, 2017
Finalization of Basis of Allotment with the Designated Stock Exchange	Thursday, April 20, 2017
Initiation of Refunds	Friday, April 21, 2017
Credit of Equity Shares to Demat Accounts of Allottees	Monday, April 24, 2017
Commencement of trading of the Equity Shares on the Stock Exchange	Tuesday, April 25, 2017

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to



various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

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

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

UNDERWRITER

Our Company and Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated February 23, 2017 and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
Pantomath Capital Advisors Private Limited 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai – 400051, Maharashtra, India Tel: +91 22 61946724 Fax: +91 22 26598690 Email: ipo@pantomathgroup.com Contact Person: Madhu Lunawat SEBI Registration Number: INM000012110	18,00,000*	[●]	100%
Total	18,00,000	[●]	100%

*Includes 92,800 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 106 V(4) of the SEBI (ICDR) Regulations, 2009, as amended.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Lead Manager have entered into an agreement dated February 23, 2017, with the following Market Maker, duly registered with NSE EMERGE to fulfill the obligations of Market Making:-

Pantomath Stock Brokers Private Limited

406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East), Mumbai 400 051,
Maharashtra, India

Tel: +91 22 6194 6774

Fax: +91 22 2659 8690

Email: broking@pantomathgroup.com

Contact Person: Mahavir Toshniwal

SEBI Registration Number: INZ000068338

Pantomath Stock Brokers Private Limited registered with EMERGE segment of NSE will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/- . However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of [●]/- the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be Rs. [●]/- until the same, would be revised by NSE.
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 (including the 92,800 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Offer over and above 92,800 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 reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.
7. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.

8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

9. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

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

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

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

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

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

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

CAPITAL STRUCTURE

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

Amount (Rs.in lakhs except share data)

No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
A.	Authorised Share Capital		
	70,00,000 Equity Shares of face value of Rs. 10/- each	700.00	
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	42,00,000 Equity Shares of face value of Rs. 10/- each	420.00	
C.	Present Issue in terms of this Red Herring Prospectus		
	Issue of 18,00,000 Equity Shares of face value of Rs.10 each at a price of Rs. [●]/- per Equity Share	180.00	[●]
	Consisting:		
	Reservation for Market Maker – 92,800 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. [●]/- per Equity Share	9.28	[●]
	Net Issue to the Public – 17,07,200 Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share	170.72	[●]
	Of the Net Issue to the Public		
	Allocation to Retail Individual Investors – 8,54,400 Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 lakhs	85.44	[●]
	Allocation to Other than Retail Individual Investors – 8,52,800 Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share shall be available for allocation for Investors applying for a value of above Rs. 2 lakhs	85.28	[●]
D.	Issued, Subscribed and Paid-Up Share Capital after the Issue		
	60,00,000 Equity Shares of face value of Rs. 10/- each	600.00	
E.	Securities Premium Account		
	Before the Issue		Nil
	After the Issue		[●]

The Issue has been authorised by the Board of Directors of our Company *vide* a resolution passed at its meeting held on February 17, 2017 and by the shareholders of our company *vide* a Special Resolution passed pursuant to Section 62 (1) (c) of Companies Act, 2013 at the Extra-Ordinary General Meeting held on February 17, 2017

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

1. Details of changes in authorised Share Capital:

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

Particulars of Change		Date of Shareholder s' Meeting	AGM / EGM
Increased From	Increased To		
The authorised share capital of our Company on incorporation comprised of Rs.5,00,000 divided into 50,000 Equity Shares of Rs. 10 each		On Incorporation	-
Rs.5,00,000 consisting of 50,000 Equity shares of Rs. 10 each.	Rs. 50,00,000 consisting of 5,00,000 Equity shares of Rs. 10 each.	July 09, 2008	EGM
Rs. 50,00,000 consisting of 5,00,000 Equity shares of Rs. 10 each	Rs. 7,00,00,000 consisting of 70,00,000 Equity shares of Rs. 10 each	November 25, 2016	EGM

2. History of Equity Share Capital of our Company

Date of Allotment/ Fully Paid up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative no. of Equity Shares	Cumulative Paid -up Capital (Rs.)
On Incorporation (March 30, 2007)	30,000	10	10	Cash	Subscription to MOA ⁽¹⁾	30,000	3,00,000
March 25, 2009	2,70,000	10	10	Cash	Further Allotment ⁽²⁾	3,00,000	30,00,000
January 24, 2017	39,00,000	10	NA	Other than Cash	Bonus Issue ⁽³⁾	42,00,000	4,20,00,000

- 1) Initial Subscribers to Memorandum of Association subscribed 30,000 Equity Shares of face value of Rs. 10/-each fully paid at par as per the details given below:

Sr. No.	Name of Allotees	No. of shares subscribed
1	Nikit Rambhia	10,000
2	Amit Rambhia	10,000
3	Devchand Rambhia	10,000
Total		30,000

- 2) Further allotment of 2,70,000 Equity Shares of face value of Rs. 10 each fully paid at par as on March 25, 2009 as per the details given below:

Sr. No.	Name of Allottee	No. of Shares Allotted
1	Nikit Rambhia	90,000
2	Amit Rambhia	90,000
3	Devchand Rambhia	90,000
Total		2,70,000

- 3) Bonus Issue of 39,00,000 Equity Shares of Rs. 10/- each in the ratio of 13 equity shares for every 1 Equity Share held as per the details given below:

Sr. No.	Name of Allottee	No. of shares Allotted
1	Nikit Rambhia	13,00,000
2	Amit Rambhia	13,00,000
3	Devchand Rambhia	12,99,610
4	Deepa Rambhia	65

Sr. No.	Name of Allottee	No. of shares Allotted
5	Kavita Rambhia	65
6	Devchand Rambhia (HUF)	130
7	Jaya Rambhia	130
	Total	39,00,000

3. We have not issued any Equity Shares for consideration other than cash except as follows:

Date of Allotment/ Fully paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits accrued to our Company	Allottees	No. of Shares allotted
January 24, 2017	39,00,000	10	NA	Bonus Issue in the ratio of 13 Equity shares for every 1 Equity share held	Capitalization of Reserves	Nikit Rambhia	13,00,000
						Amit Rambhia	13,00,000
						Devchand Rambhia	12,99,610
						Deepa Rambhia	65
						Kavita Rambhia	65
						Devchand Rambhia (HUF)	130
						Jaya Rambhia	130

4. No Equity Shares have been allotted pursuant to any scheme approved under Section 230-232 of the Companies Act, 2013.
5. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. Except as mentioned below, no shares have been issued at price below Issue Price within last one year from the date of this Red Herring Prospectus:-

Date of Allotment/ Fully paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Allottees	No. of Shares allotted
January 24, 2017	39,00,00	10	NA	Other than Cash	Bonus Issue	Nikit Rambhia	13,00,000
						Amit Rambhia	13,00,000
						Devchand Rambhia	12,99,610
						Deepa Rambhia	65
						Kavita Rambhia	65
						Devchand Rambhia (HUF)	130
						Jaya Rambhia	130

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

i. Build Up of Promoter's shareholdings

As on the date of this Red Herring Prospectus, our Promoter, Nikit Rambhia and Amit Rambhia together holds 28,00,000 Equity Shares of our Company. None of the Equity shares held by our Promoter are subject to any pledge.

1) Nikit Rambhia

Date of Allotment / Transfer / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Lock-in Period	Source of funds
March 30,2007	10,000	10	10	Subscription to MoA	0.24%	0.17%	1 Year	Owned funds
March 25, 2009	90,000	10	10	Further Allotment	2.14%	1.50%	1 Year	Owned funds
January 24, 2017	6,15,000	10	Not Applicable	Bonus Issue	14.64%	10.25%	3 Years	Not Applicable
	6,85,000				16.31%	11.42%	1 Year	
Total	14,00,000				33.33%	23.33%		

*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment

2) Amit Rambhia

Date of Allotment / Transfer / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Lock-in Period	Source of funds
March 30,2007	10,000	10	10	Subscription to MoA	0.24%	0.17%	1 Year	Owned funds
March 25, 2009	90,000	10	10	Further Allotment	2.14%	1.50%	1 Year	Owned funds/ Borrowing**
January 24, 2017	6,15,000	10	Not Applicable	Bonus Issue	14.64%	10.25%	3 Years	Not Applicable
	6,85,000				16.31%	11.42%	1 Year	
Total	14,00,000				33.33%	23.33%		

*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment

** Details of Borrowing From Deepa Rambhia

Name of Lender	Address of the Lender	Amount Rs.
Deepa Rambhia	Ghatkopar, Mumbai	1,83,000

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

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

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 20.50% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ made fully paid up	No. of Shares Allotted/ Transferred	Face Value	Issue Price	Nature of Allotment	% of Post Issue shareholding	Lock in Period
Nikit Rambhia						
January 24, 2017	6,15,000	10	Not Applicable	Bonus Issue	10.25%	3 Years
Amit Rambhia						
January 24, 2017	6,15,000	10	Not Applicable	Bonus Issue	10.25%	3 Years
Total	12,30,000				20.50%	

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

- a) The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- b) The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Red Herring Prospectus at a price lower than the Issue Price;
- c) No equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the issue price.
- d) The Equity Shares held by the Promoter and offered for minimum Promoters' contribution are not subject to any pledge;
- e) All the Equity Shares of our Company held by the Promoter are in the process of being dematerialized; and
- f) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

iii. Details of Share Capital locked in for one year

Other than the above Equity Shares that are locked in for three years, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public Issue.

iv. Other requirements in respect of lock-in:

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

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

Further, pursuant to Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI (ICDR) Regulations has ended, subject to compliance with the Takeover Code, as applicable.

We further confirm that our Promoters' Contribution of 20.50% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

8. Except as mentioned below, there were no shares/purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last six months.

Date of Transfer	Name of the Transferee/Transferor	Party Category	No. of Shares Allotted/Transferred	Face Value	Transfer Price	Nature of Allotment
November 24, 2016	Devchand Rambhia (Transferor)	Promoter Group	(20)	10	160	Transfer
November 24, 2016	Devchand Rambhia (HUF) (Transferee)	Promoter Group	10	10	160	Transfer
November 24, 2016	Jaya Rambhia	Promoter Group	10	10	160	Transfer
January 24, 2017	Nikit Rambhia	Promoter	13,00,000	10	N.A	Bonus
January 24, 2017	Amit Rambhia	Promoter	13,00,000	10	N.A	Bonus
January 24, 2017	Devchand Rambhia	Promoter Group	12,99,610	10	N.A	Bonus
January 24, 2017	Deepa Rambhia	Promoter Group	65	10	N.A	Bonus
January 24, 2017	Kavita Rambhia	Promoter Group	65	10	N.A	Bonus
January 24, 2017	Devchand Rambhia (HUF)	Promoter Group	130	10	N.A	Bonus
January 24, 2017	Jaya Rambhia	Promoter Group	130	10	N.A	Bonus

9. Our Shareholding Pattern

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

i. Summary of Shareholding Pattern as on the date of this Red Herring Prospectus:-

Category Cate gor y	Shareholder	Nos . of sha reh olde rs	No. of fully paid up equity shares held	No. of Part ly paid -up equi ty shar es held	No. of shares underly ing Deposit ory Receipt s	Total nos. shares held	Sharehol ding as a % of total no. of shares (calculat ed as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underly ing Outstandi ng convertib le securities (includin g Warrants)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in demater ialized form***
								No. of Voting Rights	Total as a % of (A+B +C)		No. (a)	As a % of total Shar es held (b)	N o. (a)	As a % of total Shares held (b)	
I	II	III	IV	V	VI	VII = IV + V+ VI	VIII	IX	X	XI = VII + X	XII	XIII	XIV		
A	Promoter and Promoter Group	7	42,00,000	-	-	42,00,000	100.00	42,00,000	100.00	-	100.00	-	-	-	[●]
B	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	7	42,00,000	-	-	42,00,000	100.00	42,00,000	100.00	-	100.00	-	-	-	[●]

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

**All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to Listing of Shares on NSE EMERGE.



I. Shareholding Pattern of Promoter and Promoter Group

Category of Shareholder	P A N	N os. of shar eh ol de rs	No. of fully paid up equity shares held	No. of Part ly paid -up equi ty shar es held	No. of shares under lying Depos itory Recei pts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securiti es (includi ng Warra nts)	Shareholding , as a % assumin g full convers ion of converti ble securiti es (as a percent age of diluted share capital) As a % of (A+B+ C2)	Number of Locked in shares		Number of Shares pledged or otherwis e encumbe red		Number of equity shares held in demater ialized form***
								No. of Voting Rights	Total as a % of (A+B+C)			N o. (a)	As a % of tota l Sha res hel d (b)	N o. (a)	As a % of tota l Sha res hel d (b)	
I	I I	III	IV	V	VI	VII = IV+V+VI	VIII	IX		X	XI = VII + X	XII	XIII		XIV	
1 Indian																
(a) Individuals/Hindu undivided Family		7	42,00,000	-	-	42,00,000	100.00	42,00,000	100.00	-	100.00	-	-	-	-	[●]
(b) Central Government/ State Government(s)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Financial Institutions/ Banks		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	7	42,00,000		-	-	42,00,000	100.00	42,00,000	100.00	-	100.00	-	-	-	-	[●]
(2) Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) Individuals (Non-Resident)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category of Shareholder	P A N	N os. of shar eholde rs	No. of fully paid up equity shares held	No. of Part ly paid -up equi ty shar es held	No. of shares under lying Depos itory Recei pts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Shareholding , as a % assuming full conversion of convertible securities (as a percent age of total share capital) N o. (a)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered N o. (a)	Number of equity shares held in dematerialized form*** N o. (b)	
								No. of Voting Rights	Total as a % of (A+B+C)			No. of total Sha res held (b)	As a % of total Sha res held (b)			
I	I I	III	IV	V	VI	VII = IV+V+VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
Individuals/ Foreign Individuals)																
(b) Government	-	-		-	-	-	-			-	-	-	-	-	-	-
(c) Institutions	-	-		-	-	-	-			-	-	-	-	-	-	-
(d) Foreign Portfolio Investor	-	-		-	-	-	-			-	-	-	-	-	-	-
(f) Any Other (Specify)	-	-		-	-	-	-			-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	7	42,00,000				42,00,000	100.00	42,00,000	100.00		100.00	-	-	-	-	[●]



II. Shareholding pattern of the Public shareholder

	Category of Shareholder	P A N	Nos. of shar eholders	No. of fully paid up equity shares held	No. of Part ly paid -up equi ty shar es held	No. of share s under lying Depos itory Recei pts	Total nos. shares held	Share holding as a % of total no. of shares (calcul ated as per SCRR, 1957) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities		No. of Shares Underl ying Outsta nding convert ible securiti es (includ ing Warr ants)	Sharehol ding , as a % assuming full conversio n of convertib le securities (as a percenta ge of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumber ed		Number of equity shares held in demateri alized form***
									No. of Voting Rights	Total as a % of (A+B +C)							
	I	II	III	IV	V	VI	VII = IV+V+V I	VIII	IX	X	XI = VII + X	XII	XIII	XIV			
(1j)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(e)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(f)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

	Category of Shareholder	P A N	Nos. of shar ehol ders	No. of fully paid up equity shares held	No. of Part ly paid -up equi ty shar es held	No. of share s under lying Depos itory Recei pts	Total nos. shares held	Shareh olding as a % of total no. of shares (calcul ated as per SCRR, 1957) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities		No. of Shares Underly ing Outsta nding convert ible securiti es (includ ing Warra nts)	Sharehol ding , as a % assuming full conversio n of convertib le securities (as a percenta ge of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumber ed		Number of equity shares held in demateri alized form***
									No. of Voting Rights	Total as a % of (A+B +C)			No. (a)	As a % of total Shar es held (b)	No. (a)	As a % of total Shar es held (b)	
	I	II	III	IV	V	VI	VII = IV+V+V I	VIII	IX	X	XI = VII + X	XII	XIII	XIV			
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub-total (B) (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(2)	Central Government/S tate Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub-Total (B) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(3)	Non-Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

	Category of Shareholder	P A N	Nos. of shar ehol ders	No. of fully paid up equity shares held	No. of Part ly paid -up equi ty shar es held	No. of share s under lying Depos itory Recei pts	Total nos. shares held	Shareh olding as a % of total no. of shares (calcul ated as per SCRR, 1957) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities		No. of Shares Underly ing Outsta nding convert ible securiti es (includ ing Warra nts)	Sharehol ding , as a % assuming full conversio n of convertib le securities (as a percenta ge of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumber ed		Number of equity shares held in demater ialized form***
									No. of Voting Rights	Total as a % of (A+B +C)			No. (a)	No. (a) As a % of total Shar es held (b)	No. (a)	No. (a) As a % of total Shar es held (b)	
	I	II	III	IV	V	VI	VII = IV+V+V I	VIII	IX	X	XI = VII + X	XII	XIII	XIV			
(a)	Individuals																
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

	Category of Shareholder	P A N	Nos. of shar ehol ders	No. of fully paid up equity shares held	No. of Partly paid -up equity shar es held	No. of share s under lying Depos itory Recei pts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form***
									No. of Voting Rights	Total as a % of (A+B+C)		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
	I	II	III	IV	V	VI	VII = IV+V+V I	VIII	IX	X	XI = VII + X	XII	XIII	XIV		
(d)	Overseas Depositories (holding DRs) (balancing figure)		-	-	-	-	-	-	-	-	-	-	-	-	-	
(e)	Any Other (Specify)		-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub Total (B)(3)		-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total Shareholding of Public (B)= (B)(1)+(B)(2) + (B)(3)		-	-	-	-	-	-	-	-	-	-	-	-	-	



III. Shareholding pattern of the Non Promoter- Non Public shareholder

Sr No	Category of Shareholder	P A N	Nos. of share holder s	No. of full y pai d up equi ty sha res held	No. of Par tly pai d-up equi ty sha res held	No. of shares underly ing Depository Receipts	Total nos. shares held	Sharehol ding as a % of total no. of shares (calculat ed as per SCRR, 1957) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities		No. of Shares Underly ing Outstan ding convertible securiti es (includi ng Warran ts)	Shareholdi ng , as a % assuming full conversion of convertibl e securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in demateria lized form***
									No. of Vot i ng Rig hts	Total as a % of (A+B +C)			No. (a)	As a % of tota l Sha res hel d (b)	No. (a)	As a % of total Shar es held (b)	
	I	I I	III	IV	V	VI	VII = IV+V +VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
(1)	Custodian / DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Name of DR Holder (if applicable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub total (C)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr No	Category of Shareholder	P A N	Nos. of share holders	No. of full y pai d up equi ty sha res held	No. of Par tly pai d up equi ty sha res held	No. of shares underly ing Depository Receipts	Total nos. shares held	Sharehol ding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underly ing Outstanding convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Shareholdi ng , as a % assuming full conversion of convertibl e securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in demateria lized form***		
									No. of Voting Rig hts	Total as a % of (A+B+C)			No. (a)	As a % of tota l Sha res hel d (b)				
	I	I I	III	IV	V	VI	VII = IV+V +VI	VIII	IX		X	XI = VII + X		XII		XIII		XIV
	(C)(2)																	
	Total Non-Promoter Non-Public Shareholding (C) = (C)(1)+(C)(2)	-	-	-	-	-	-	-			-	-	-	-	-	-	-	

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

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

*** In terms of SEBI Listing Regulations, our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialised prior to listing of Equity shares.

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

Sr. No .	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoter				
1.	Nikit Rambhia	14,00,000	33.33	14,00,000	23.33
2.	Amit Rambhia	14,00,000	33.33	14,00,000	23.33
	Sub total (A)	28,00,000	66.67	28,00,000	46.67
	Promoter Group				
3.	Devchand Rambhia	13,99,580	33.32	13,99,580	23.33
4.	Deepa Rambhia	70	Negligible	70	Negligible
5.	Kavita Rambhia	70	Negligible	70	Negligible
6.	Devchand Rambhia (HUF)	140	Negligible	140	Negligible
7.	Jaya Rambhia	140	Negligible	140	Negligible
	Sub total (B)	14,00,000	33.33	14,00,000	23.33
	Total (A+B)	42,00,000	100.00	42,00,000	70.00

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Nikit Rambhia	14,00,000	0.71
Amit Rambhia	14,00,000	0.71

12. There are no persons belonging to the category “Public” who holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares.

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

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

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Nikit Rambhia	14,00,000	33.33
2.	Amit Rambhia	14,00,000	33.33
3.	Devchand Rambhia	13,99,580	33.33
4.	Deepa Rambhia	70	Negligible
5.	Kavita Rambhia	70	Negligible
6.	Devchand Rambhia (HUF)	140	Negligible
7.	Jaya Rambhia	140	Negligible
	Total	42,00,000	100.00

Note:- Our Company has only 7 shareholders as on date of filing of this Red Herring Prospectus.

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

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Nikit Rambhia	14,00,000	33.33
2.	Amit Rambhia	14,00,000	33.33
3.	Devchand Rambhia	13,99,580	33.32
4.	Deepa Rambhia	70	0.00
5.	Kavita Rambhia	70	0.00
6.	Devchand Rambhia (HUF)	140	0.00
7.	Jaya Rambhia	140	0.00
	Total	42,00,000	100.00

Note:- Our Company has only 7 shareholders as at ten days prior to the date of filing of this Red Herring Prospectus.

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

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Nikit Rambhia	1,00,000	33.33
2.	Amit Rambhia	1,00,000	33.33
3.	Devchand Rambhia	99,990	33.32
4.	Deepa Rambhia jointly held with Deepa Rambhia	1	0.00
5.	Deepa Rambhia jointly held with Haresh Hansraj & Co.	1	0.00
6.	Deepa Rambhia jointly held with Jacky Savla	1	0.00
7.	Deepa Rambhia jointly held with Jitendra Nagda	1	0.00
8.	Deepa Rambhia jointly held with Khushbu Savla	1	0.00
9.	Kavita Rambhia Jointly held with Lalji Hirji & Sons	1	0.00
10.	Kavita Rambhia Jointly held with Manilal Savla	1	0.00
11.	Kavita Rambhia Jointly held with Manilal K. Savla (HUF)	1	0.00
12.	Kavita Rambhia Jointly held with Raja Trading Co.	1	0.00
13.	Kavita Rambhia jointly held with Visanji Gangji Gala	1	0.00
	Total	3,00,000	100.00

14. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
15. Neither the Book Running Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.
16. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the EMERGE Platform of National Stock Exchange of India Limited.
17. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
18. 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.

19. There are no Equity Shares against which depository receipts have been issued.
20. Other than the Equity Shares, there is no other class of securities issued by our Company.
21. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
22. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Red Herring Prospectus.
23. Our Company, our Promoters, our Directors and the Book Running Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
24. There are no safety net arrangements for this public issue.
25. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.
26. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
27. As on date of this Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
28. All the Equity Shares of our Company are fully paid up as on the date of the Red Herring Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
29. As per RBI regulations, OCBs are not allowed to participate in this Issue.
30. Our Company has not raised any bridge loans against the proceeds of the Issue.
31. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
32. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
33. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
34. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.

35. Our Company has 7 shareholders as on the date of filing of this Red Herring Prospectus.
36. Our Promoters and the members of our Promoter Group will not participate in this Issue.
37. Our Company has not made any public issue since its incorporation.
38. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
39. For the details of transactions by our Company with our Promoter Group, Group Companies during the period ended December 31, 2016 and financial years ended March 31, 2016, 2015, 2014, 2013 and 2012, please refer to paragraph titled "Details of Related Parties Transactions as Restated" in the chapter titled "*Financial Statements as restated*" on page 198 of this Red Herring Prospectus.
40. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "Our Management" beginning on page 172 of this Red Herring Prospectus.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the net proceeds from the Issue towards funding the following objects and achieve the benefits of listing on the Emerge Platform of NSE.

The objects of the Issue are:

1. Working Capital Requirements;
2. General Corporate Purposes.

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

FUND REQUIREMENTS

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

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

Means of Finance

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Issue, bank borrowings and internal accruals. Accordingly, we confirm that 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.

Utilisation of Net Proceeds

The details of the Issue Proceeds are summarised below:

Particulars	Amount (Rs in Lakhs)
Issue Proceeds*	[●]
Less: Issue related expenses	[●]
Net Proceeds	[●]

* To be finalised upon determination of Issue Price.

We intend to utilise the Net Proceeds from the Issue, in the manner set below:

Sr. No.	Particulars	Amount (Rs in Lakhs)	Percentage of net Issue
1.	Working Capital Requirements	1,200.00	[●]%
2.	General Corporate Purpose	[●]	[●]%

While we intend to utilise the Issue Proceeds in the manner provided above, in the event of a surplus, we will use such surplus towards general corporate purposes including meeting future growth requirements. In case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. In the

event of any shortfall in the Net Proceeds, we may explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders.

Schedule of Implementation/Utilization of Net Proceeds

Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the financial year 2016-17 and 2017-18.

Details of Utilization of Issue Proceeds

WORKING CAPITAL REQUIREMENT

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

As on March 31, 2015 and March 31, 2016 our Company's net working capital consisted of Rs. 1,162.98 lakhs and Rs. 1,698.98 lakhs respectively, based on the restated financial statements.

The total working capital requirement for the year 2016-17 is expected to be Rs. 1,913.38 lakhs and for the year 2017-18 is expected to be Rs. 3,460.62 lakhs. The incremental working capital requirement for the year ending March 31, 2017 will be Rs. 214.40 lakhs and for the year ended March 31, 2018 will be Rs. 1,547.24 lakhs, of which working capital requirements for FY 2017-18 will be met through the Net Proceeds to the extent of Rs. 1,200.00 lakhs, and the balance portion will be met through internal accruals.

Basis of estimation of working capital requirement

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

(Rs. in Lakhs)

Particulars	As on March 31	
	2015	2016
<i>Current Assets</i>		
Inventories		
Raw Materials	412.34	1,010.72
Stock-in-Trade & Finished Goods	164.32	260.81
Trade Receivables	1,359.75	1,427.15
Cash and Bank Balance	133.54	217.37
Short term Loans & Advances & Other Current Assets	41.73	174.62
Total (A)	2,111.67	3,090.68
<i>Current Liabilities</i>		
Trade Payables	732.13	1,025.40
Other Current Liabilities & Provisions	216.56	366.30
Total (B)	948.69	1,391.70
Net Working Capital (A)-(B)	1,162.98	1,698.98

The details of our Company's expected working capital requirement as at March 31, 2017 and as at March 31, 2018 is set out in the table below:

Particulars	2016-17 (Estimated)	2017-18 (Estimated)
<i>Current Assets</i>		
Inventories		
Raw Materials	972.41	1,711.34
Stock-in-Trade & Finished Goods	395.23	689.70
Trade Receivables	1,275.00	2,380.00

Particulars	2016-17 (Estimated)	2017-18 (Estimated)
Cash and Bank Balance	144.60	175.05
Short term loans & advances and other current assets	198.92	253.70
Total (A)	2,986.16	5,209.79
 Current Liabilities		
Trade Payables	802.35	1,566.13
Other Current Liabilities & Provisions	270.43	183.04
Total (B)	1,072.78	1,749.17
 Net Working Capital (A)-(B)	1,913.38	3,460.62
 Proposed funding pattern		
Existing working capital funding from banks	1,000.00	1,000.00
Internal accruals/ owned funds/ unsecured loans	913.38	1,260.62
Net proceeds from the issue	-	1,200.00
Total Source	1,913.38	3,460.62

Assumption for working capital requirements

Assumptions for Holding Levels*

(In months)

Particulars	Holding Level as of March 31, 2015	Holding Level as of March 31, 2016	Holding Level as of March 31, 2017 (Estimated)	Holding Level as of March 31, 2018 (Estimated)
Current Assets				
Inventories*				
Raw Materials	1.74	3.36	3.02	3.00
Stock-in-Trade & Finished Goods	0.53	0.66	0.92	0.92
Trade Receivables	4.15	3.49	3.00	3.20
 Current Liabilities				
Trade Payables	2.65	2.64	2.26	2.25

Our Company proposes to utilise Rs. 1,200.00 lakhs of Net Proceeds towards working capital requirements for meeting our business requirements.

The incremental working capital requirements are based on historical Company data and estimation of the future requirements in Financial Year 2017-18 considering the growth in activities of our Company and in line with norms accepted by our banker(s).

Justification for "Holding Period" levels

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

Assets- Current Assets	
Inventories	In FY 2016-17 and FY 2017-18, we have assumed raw material inventory of around 3.02 months and 3.00 months which is slightly lower than for F.Y. 2015-16 as we aim to achieve higher production. Further we have assumed finished goods inventory of around 0.92 months in FY 2016-17 and FY 2017-18 as compared to 0.66 months in FY 2015-16 as we aim to expand our manufacturing operations.

Assets- Current Assets	
Trade receivables	In FY 2016-17 and FY 2017-18, the trade receivable holding period is estimated to slightly decrease from 3.49 months in F.Y. 2015-16 to 3.00 months and 3.20 months respectively. The decrease is expected as we intend to have a stringent debtor management policy.
Liabilities - Current Liabilities	
Trade Payables	In FY 2016-17 and FY 2017-18, the credit period is expected to be 2.26 months and 2.25 months respectively as compared to 2.64 months in FY 2015-16, as the Company will strive to adhere to stricter credit policy to achieve better and favourable pricing terms and to ensure continued relation with the existing suppliers.

GENERAL CORPORATE PURPOSES

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

ISSUE RELATED EXPENSES

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

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

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

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

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

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



SCHEDULE OF IMPLEMENTATION & DEPLOYMENT OF FUNDS

Our Company proposes to deploy the Net Proceeds in the aforesaid objects in the financial year 2017-18.

Activity	Total Amount (Rs in Lakhs)	Amount incurred till date	Estimated deployment of the Issue Proceeds FY 2017-2018
Working Capital Requirements	1,200.00	[●]	[●]
General Corporate Purposes	[●]	[●]	[●]

Our Statutory Auditors, M/s Jain Salia & Associates, Chartered Accountants vide their certificate dated [●] have confirmed that the following funds have been deployed towards issue expenses.

Source	Amount (Rs in Lakhs)
Internal Accruals	[●]

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

BRIDGE FINANCING

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

APPRAISAL BY APPRAISING AGENCY

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

INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of Issue described above, Our Company shall deposit the funds only in the scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934.

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

MONITORING UTILIZATION OF FUNDS

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

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

VARIATION IN OBJECTS

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

OTHER CONFIRMATIONS

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

BASIS FOR ISSUE PRICE

The Issue Price of Rs. [●] per Equity Share will be determined by the Company, in consultation with the Book Running Lead Manager on the basis of an assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares of our Company is Rs.10 each and the Issue Price is [●] times of the face value at the lower end of the price band and [●] times the face value at the upper end of the Price Band.

QUALITATIVE FACTORS

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

- Experienced management team and dedicated employee base
- Wide product range
- Keeping up pace with changing technology trends
- Quality products
- Wide customer Base

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 149 of this Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2014, 2015 and 2016 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

Year ended	EPS (Rs.)	Weight
March 31, 2014	1.02	1
March 31, 2015	2.36	2
March 31, 2016	3.29	3
Weighted average		2.60
For the period ended December 31, 2016*		3.44

*Not Annualised

Note:-

- The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the period / year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is Rs. 10/-.
- For the purpose of calculating the EPS above, the number of equity shares has been adjusted for the following changes:-

Date of Allotment	Particulars
January 24, 2017	Bonus Issue of 39,00,000 equity shares of of face value of Rs. 10/- each fully paid up in the ratio of 13 shares for every 1 share held

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

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

Particulars	P/E Ratio on Cap Price	PE Ratio on Floor Price
*Industry P/E		
Lowest		384.17
Highest		384.17
Average		384.17

*Industry composite comprises of Cerebra Integrated Technologies Limited

3. Return on Net worth (RoNW)

Return on Net Worth ("RoNW") as per restated financial statements

Year ended	RoNW (%)	Weight
March 31, 2014	23.19	1
March 31, 2015	34.83	2
March 31, 2016	32.67	3
Weighted Average		31.81
For the period ended December 31, 2016*		25.44

*Not Annualised

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

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

Particulars	(Amount in Rs.)
At Floor price	[●]
At Cap price	[●]

5. Net Asset Value (NAV)

Particulars	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2016	10.07
Net Asset Value per Equity Share as of December 31, 2016	13.50
Net Asset Value per Equity Share after the Issue	[●]
Issue Price per equity share	[●]

1. Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares outstanding at the end of the period.
2. For the purpose of calculating the NAV above, the number of equity shares has been adjusted for the following changes:-

Date of Allotment	Particulars
January 24, 2017	Bonus Issue of 39,00,000 equity shares of face value of Rs. 10/- each fully paid up in the ratio of 13 shares for every 1 share held

3. Issue Price per equity share will be determined on conclusion of Book Building Process.

6. Comparison with other listed companies

Companies	CMP	EPS	PE Ratio	RONW %	NAV (Per Share)	Face Value	Total Income (In Crores)
Panache Digilife Limited	[●]	3.29	[●]	32.67	10.07	10.00	49.73
Peer Group*							
Cerebra Integrated Technologies Limited	39.75	0.11	384.17	0.71	14.48	10.00	137.76

*Source: www.bseindia.com

Notes:



- Considering the nature of business of the Company the peers are not strictly comparable. However same have been included for broad comparison.
- The figures for Panache Digilife Limited are based on the restated results for the year ended March 31, 2016
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2016
- Current Market Price (CMP) is the closing price of respective script as on March 20, 2017
- The Issue Price of Rs. [•]- per equity share shall be determined by the company in consultation with the BRLM on the basis of assessment of market demand from investors for the Equity shares by way of Book Building and is justified based on the above accounting ratios.

For further details see section titled "*Risk Factors*" beginning on page 21 and the financials of the Company including profitability and return ratios, as set out in the section titled "*Financial Statements*" beginning on page 198 of this Red Herring Prospectus for a more informed view.



STATEMENT OF POSSIBLE TAX BENEFIT

To,
The Board of Directors,
Panache Digilife Limited
(Formerly known as Vardhaman Technology Limited)
Unit No. 201/B, Raheja Plaza-1,
L.B.S. Marg, Ghatkopar,
West Mumbai - 400086

Dear Sirs,

Subject : Statement of Possible Special Tax Benefits available to Panache Digilife Limited

(Formerly known as Vardhaman Technology Limited) and its shareholders prepared in accordance with the requirements under Schedule VIII – Clause (VII) (L) of the SEBI (ICDR) Regulations, 2009 as amended (the ‘Regulations’)

We hereby report that the enclosed annexure prepared by **Panache Digilife Limited (Formerly known as Vardhaman Technology Limited)**, states the possible special tax benefits available to **Panache Digilife Limited (Formerly known as Vardhaman Technology Limited)** ('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 special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil. The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders do not cover any general tax benefits available to the Company Further , the preparation of enclosed statement and the contents stated therein 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 is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and 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 proposed initial public offering of equity shares ("the Offer") by the Company.

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

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



The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus or any other offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For M/s. Maharishi & Co.,
Chartered Accountants**
Firm Registration No. 124872W

**Kapil Sanghvi
Partner**
Membership No. 141168
Place: Mumbai
Date: February 24, 2017

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

A. SPECIAL TAX BENEFITS TO THE COMPANY

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

Note:

1. 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.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 21 and 198 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION TO ELECTRONIC PRODUCTS INDUSTRY

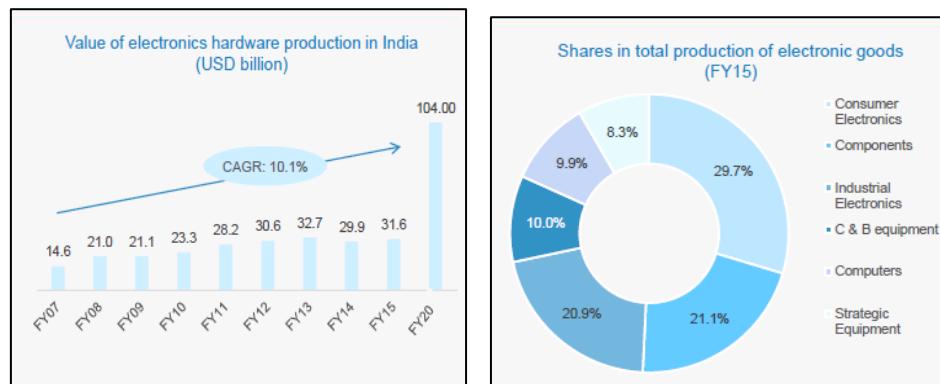
The electronics market of India is one of the largest in the world and is anticipated to reach US\$ 400 billion in 2022 from US\$ 69.6 billion in 2012. The market is projected to grow at a compound annual growth rate (CAGR) of 24.4 per cent during 2012-2020. Total production of electronics hardware goods in India is estimated to reach US\$ 104 billion by 2020. The communication and broadcasting equipment segment constituted 31 per cent, which is the highest share of total production of electronic goods in India in FY13, followed by consumer electronics at 23 per cent.

Electronic exports from India were expected to reach US\$ 8.3 billion in FY13, a CAGR of 27.9 per cent during FY 07–12. Technological improvements and competitively cost effectiveness are main drivers for demand of Indian electronics products abroad. The Government of India has set up Electronic Hardware Technology Parks (EHTPs), Special Economic Zones (SEZs) and brought about a favourable climate for foreign direct investment (FDI). It has also increased liberalisation and relaxed tariffs to promote growth in the sector. In addition, the government gave its green signal to the Modified Special Incentive Package Scheme (MSIPS) under which the central government will be offering up to US\$ 1.7 billion in benefits to the electronics sector in next five years.

The growing customer base and the increased penetration in consumer durables segment have provided enough scope for the growth of the Indian electronics sector. Also, digitisation of cable could lead to increased broadband penetration in the country and open up new avenues for companies in the electronics industry.

(Source: Indian Electronics Industry Analysis India Brand Equity Foundation, www.ibef.org)

INDIAN ELECTRONICS MARKET: STATISTICAL OVERVIEW



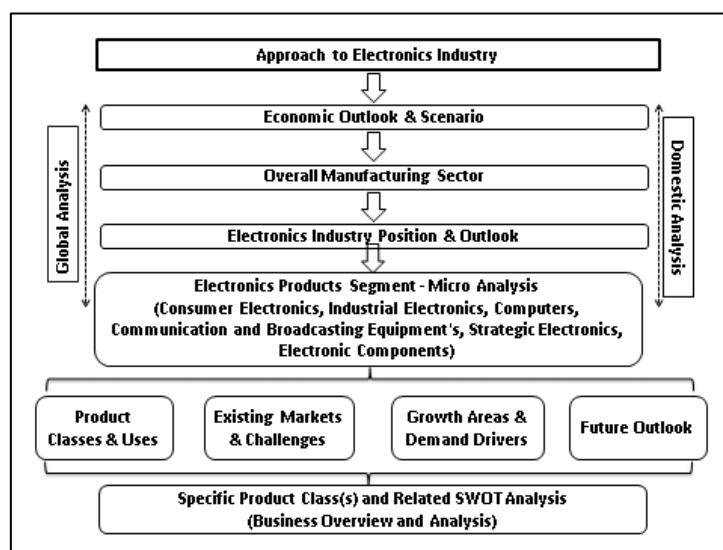
(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

APPROACH TO INDUSTRY ANALYSIS

Analysis of Electronics Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Electronics Products Industry forms part of Manufacturing Sector at a macro level. Hence, broad picture of Manufacturing Sector should be at preface while analysing the Electronics Products Industry.

Manufacturing sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Manufacturing sector is Electronics Industry, which in turn encompasses various components one of them being Electronics Products Segment including Consumer Electronics, Industrial Electronics, Computers, Communication and Broadcasting Equipment's, Strategic Electronics, Electronic Components.

Thus, Electronics Product Segment should be analysed in the light of Electronics Industry at large. An appropriate view on Electronics Product Segment, then, calls for the overall economic outlook, performance and expectations of Manufacturing Sector, position of Electronics Industry and micro analysis.



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

INTRODUCTION TO INFORMATION TECHNOLOGY INDUSTRY

India is the world's largest sourcing destination, accounting for approximately 55 per cent of the US\$ 146 billion market. The country's cost competitiveness in providing Information Technology (IT) services, which is approximately 3-4 times cheaper than the US, continues to be its Unique Selling Proposition (USP) in the global sourcing market.

India's highly qualified talent pool of technical graduates is one of the largest in the world and is available at a cost saving of 60-70 per cent to source countries. This large pool of qualified skilled workforce has enabled Indian IT companies to help clients to save US\$ 200 billion in the last five years.

India's IT industry amounts to 12.3 per cent of the global market, largely due to exports. Export of IT services accounted for 56.12 per cent of total IT exports (including hardware) from India. The Business Process Management (BPM) segment accounted for 23.46 per cent of total IT exports during FY15. The IT-BPM sector is estimated to expand at a CAGR of 9.5 per cent to US\$ 300 billion by 2020. The Government of India has extended tax holidays to the IT sector for software technology parks of India (STPI) and Special Economic Zones (SEZs). Further, the country is providing procedural ease and single window clearance for setting up facilities.

(Source: Indian IT and ITeS Industry Analysis, India Brand Equity Foundation, www.ibef.org)

IT & ITeS – SECTOR ANALYSIS

Strong growth Opportunities - The IT-BPM sector in India expanded at a CAGR of 13.7 per cent over 2010–16, which is 3–4 times higher than the global IT-BPM growth, and is estimated to expand at a CAGR of 9.1 per cent to USD350 billion by 2025.

Leading sourcing destination - As of 2015, India is a prominent sourcing destination across the world, accounting for approximately 56 per cent market share in the global services sourcing business. India acquired a share of around 38 per cent in the overall Business Process Management (BPM) sourcing market.

Largest pool of ready to hire talent - India's highly qualified talent pool of technical graduates is one of the largest in the world, facilitating its emergence as a preferred destination for outsourcing, computer science/information technology accounts for the biggest chunk of India's fresh engineering talent pool, with more than 98 per cent of the colleges offering this stream.

Most lucrative sector for investments - The sector ranks fourth in India's total FDI share and accounts for approximately 37 per cent of total Private Equity and Venture investments in the country.

Cash Cow - In FY16, revenues of Indian IT-BPM market is estimated to touch USD160 billion. In 2015, Indian IT companies have helped clients to save USD200 billion in the last five years. India's IT-BPM sector includes 670 offshore development centres around 78 countries.

(Source: Indian IT and ITeS Industry Analysis, India Brand Equity Foundation, www.ibef.org)

INFORMATION TECHNOLOGY INDUSTRY: STATISTICAL OVERVIEW

IT & ITeS Industry in India

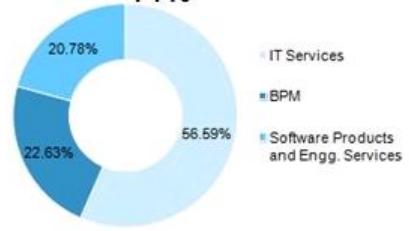
Latest update: November, 2016

Growth in export revenue (US\$ billion)



Source: Nasscom, Make in India, TechSci Research
Note: CAGR - Compound Annual Growth Rate

Sector-wise breakup of export revenue FY16



Source: Nasscom, Make in India, TechSci Research
Note: CAGR - Compound Annual Growth Rate

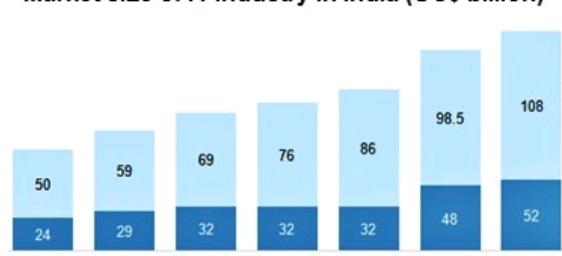
IT & ITeS Industry in India

Latest update: November, 2016

India's IT market size growing

- India's technology and BPM sector (including hardware) is likely to generate revenues of US\$ 160 billion during FY16 compared to US\$ 146.5 billion in FY15, implying a growth rate of 9.2 per cent
- The contribution of the IT sector to India's GDP rose to approximately 9.5 per cent in FY15 from 1.2 per cent in FY98
- TCS is the market leader, accounting for about 10.4 per cent of India's total IT & ITeS sector revenue in FY16
- The top five IT firms contribute over 25 per cent to the total industry revenue, indicating the market is fairly competitive

Market size of IT industry in India (US\$ billion)



Source: Nasscom, Make in India, TechSci Research
Note: E - Estimates

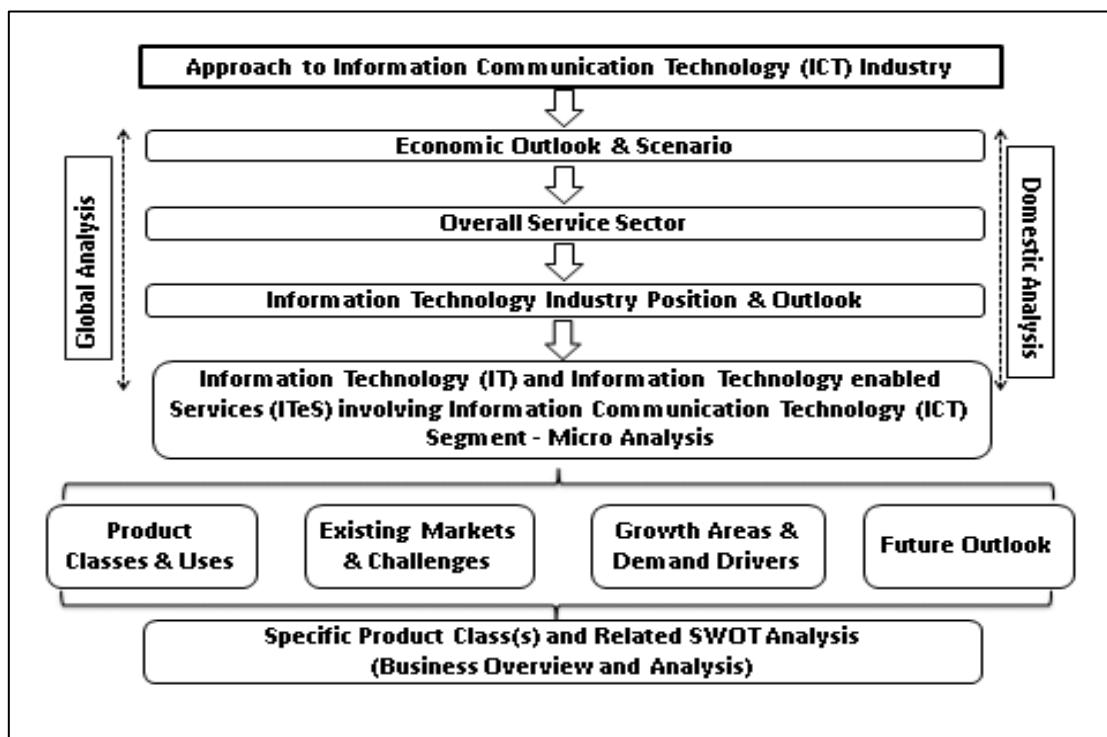
(Source: Indian IT and ITeS Industry Analysis, India Brand Equity Foundation, www.ibef.org)

APPROACH TO INDUSTRY ANALYSIS

Analysis of Information Technology Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Information Technology Industry forms part of Service Sector at a macro level. Hence, broad picture of Service Sector should be at preface while analysing the Information Technology Industry.

Service sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Service sector is Information Technology Industry⁴, which in turn encompasses various components one of them being Information Technology (IT) and Information Technology enabled Services (ITeS) involving Information Communication Technology (ICT) Segment.

Thus, Information Communication Technology (ICT) Segment should be analysed in the light of Information Technology Industry at large. An appropriate view on Information Communication Technology (ICT) Segment, then, calls for the overall economy outlook, performance and expectations of Service Sector, position of Information Technology Industry and micro analysis.



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GLOBAL ECONOMIC ENVIRONMENT

INTRODUCTION

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

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

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

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

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

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

(Source-Economic Survey 2015-16-Volume I; www.indiabudget.nic.in)

GLOBAL ECONOMIC OVERVIEW

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

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

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

(Source-Economic Survey 2015-16-Volume II; www.indiabudget.nic.in)

GLOBAL OUTLOOK FOR GROWTH

One important positive outcome in 2015 was the modest pick-up in growth in some of the advanced economies. It might be recalled that after falling in 2009 due to the 2008 global financial crisis, growth in emerging and developing economies rebounded in 2010 and 2011. While advanced

economies also exhibited a recovery in 2010 thanks to the large stimuli, global growth continued to be tepid relative to the average of the decade ending 2006, largely on account of the slowdown in advanced economies. Spill over effects of the crisis may have been large, prolonged and bi-directional, given that the global integration is far greater than in the prior decade. This has made the task of projecting global economic outlook arduous. This uncertainty has led to the International Monetary Fund (IMF) revising the global growth outlook in its World Economic Outlook (WEO) four times a year since 2009.

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

Overall global economic activity remained subdued in 2015, as growth in emerging market and developing economies (EMDE) declined for the fifth consecutive year and recovery in advanced economies was modest. This is also attributable to the changing composition of the global economy and relative point contributions to global growth. The fall in the contribution of the EMDEs is not being made good by the advanced economies. A recent feature is that the Chinese economy is gradually slowing down and is transitioning from investment demand to consumption demand and from manufacturing to services. The concern over the spill overs of subdued global growth to other economies through trade channels and weaker commodity prices is manifest in diminishing confidence and increasing volatility in financial markets. In addition, a dual monetary policy-a gradual tightening in monetary policy in the US in the backdrop of its resilient recovery and easy monetary policy in several other major advanced economies has led to continued uncertainties and poses challenges for the year ahead. In the case of EMDEs, growth remained subdued at 4 per cent in 2015, but is projected to increase to 4.3 per cent in 2016 and 4.7 per cent in 2017. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17. Assessments indicate that mixed inflation developments in EMDEs reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year.

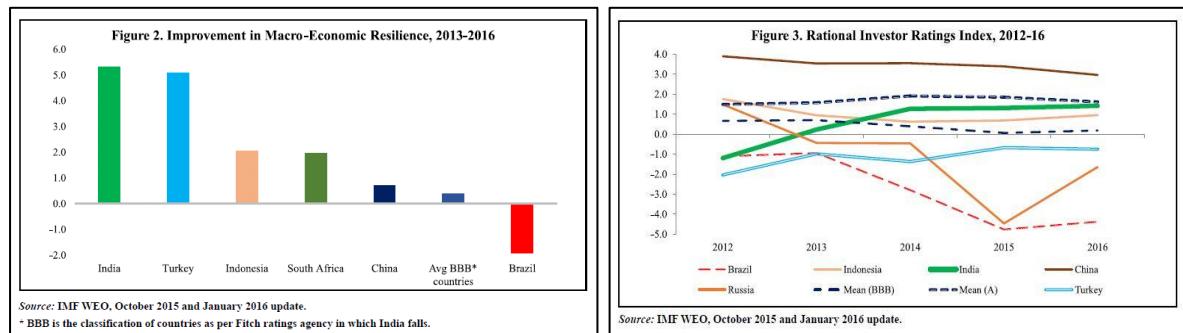
The 19 January WEO Update also indicated that India and the rest of emerging Asia are bright spots, albeit with some countries facing strong headwinds from China's economic rebalancing and global manufacturing weakness. The IMF's growth forecast for India is 7.5 per cent in 2016 and 2017 and this surpasses the projection of 6.3 per cent and 6.0 per cent respectively for China. The level of global economic activity has a significant and direct bearing on the growth prospects of the emerging economies through trade channels. As per the Update, world trade volume growth projections have been placed at 3.4 per cent and 4.1 per cent respectively for 2016 and 2017 lower by 0.7 percentage points to 0.5 percentage point respectively from WEO, October 2015. The World Bank's Report on Global Economic Prospects (January 2016) also estimated that India will grow by a robust 7.8 per cent in 2016 and 7.9 per cent in the following two years. Compared to other major developing countries, the report maintained that India is well positioned to withstand near-term headwinds and volatility in global financial markets due to reduced external vulnerabilities, a strengthening domestic business cycle, and a supportive policy environment.

(Source-Economic Survey 2015-16-Volume II; www.indiabudget.nic.in)

THE INDIAN ECONOMY

The Indian economy has continued to consolidate the gains achieved in restoring macroeconomic stability. A sense of this turnaround is illustrated by a cross-country comparison. In last year's Survey, we had constructed an overall index of macroeconomic vulnerability, which adds a country's fiscal deficit, current account deficit, and inflation. This index showed that in 2012 India was the most

vulnerable of the major emerging market countries. Subsequently, India has made the most dramatic strides in reducing its macro-vulnerability. Since 2013, its index has improved by 5.3 percentage points compared with 0.7 percentage points for China, 0.4 percentage points for all countries in India's investment grade (BBB), and a deterioration of 1.9 percentage points in the case of Brazil (Figure 2).



If macro-economic stability is one key element of assessing a country's attractiveness to investors, its growth rate is another. In last year's Survey we had constructed a simple Rational Investor Ratings Index (RIRI) which combined two elements, growth serving as a gauge for rewards and the macro-economic vulnerability index proxying for risks. The RIRI is depicted in Figure 3; higher levels indicate better performance. As can be seen, India performs well not only in terms of the change of the index but also in terms of the level, which compares favourably to its peers in the BBB investment grade and even its "better" in the A grade¹. As an investment proposition, India stands out internationally.

(Source-Economic Survey 2015-16-Volume I, www.indiabudget.nic.in)

REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

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

- Even as real growth has been accelerating, nominal growth has been falling, to historically low levels, an unusual trend highlighted in the Mid-Year Economic Analysis (MYEA), 2015-16.
- According to the Advance Estimates, nominal GDP (GVA) is likely to increase by just 8.6 (6.8) percent in 2015-16.
- In nominal terms, construction is expected to stagnate, while even the dynamic sectors of trade and finance are projected to grow by only 7 to 7 3/4 percent.
- Inflation remains under control The CPI-New Series inflation has fluctuated around 5 1/2 percent, while measures of underlying trends—core inflation, rural wage growth and minimum support price increases—have similarly remained muted. Meanwhile, the WPI has been in negative territory since November 2014, the result of the large falls in international commodity prices, especially oil. As low inflation has taken hold and confidence in price stability has improved, gold imports have largely stabilized, notwithstanding the end of a period of import controls
- Similarly, the external position appears robust. The current account deficit has declined and is at comfortable levels; foreign exchange reserves have risen to US\$351.5 billion in early February 2016, and are well above standard norms for reserve adequacy; net FDI inflows have grown from US\$21.9 billion in April-December 2014-15 to US\$27.7 billion in the same period of 2015-16; and the nominal value of the rupee, measured against a basket of currencies, has been steady. India was

consequently well-positioned to absorb the volatility from the U.S. Federal Reserve actions to normalize monetary policy that occurred in December 2015. Although the rupee has declined against the dollar, it has strengthened against the currencies of its other trading partners.

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

(Source-Economic Survey 2015-16-Volume I, www.indiabudget.nic.in)

DEVELOPMENTS IN THE CAPITAL MARKET

PRIMARY MARKET

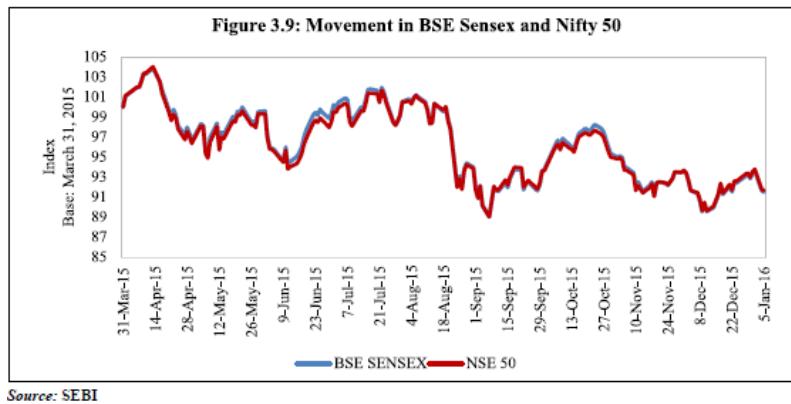
In 2015-16 (April-December), resource mobilization through the public and right issues has surged rapidly as compared to the last financial year. During 2015-16 (April- December), 71 companies have accessed the capital market and raised Rs.51,311 crore, compared to Rs.11,581 crore raised through 61 issues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

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

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

SECONDARY MARKET

During 2015-16 so far, the Indian securities market has remained subdued (Figure 3.9). The Bombay Stock Exchange (BSE) Sensex declined by 8.5 per cent (up to 5 January 2016) over end-March 2015, mainly on account of turmoil in global equity markets in August 2015 following slowdown in China and its currency devaluation and slump in stocks. On 4 January 2016, weak Chinese manufacturing data again led to a global sell-off which caused the BSE Sensex also to decline by 538 points (2.1 per cent).The downward trend in the Indian stock market was also guided by mixed corporate earnings for Q1 and Q2 of 2015- 16, FPIs' concern over minimum alternative tax (MAT), weakening of the rupee against the US dollar, investor concern over delay in passage of the Goods and Services Tax (GST) Bill, uncertainty over interest rate hike by US Fed and selling by FPIs. However, the Indian equity market has been relatively resilient during this period compared to the other major EMEs. The Indian stock market withstood the US Fed increase in interest rates in December 2015.



(Source-Economic Survey 2015-16-Volume II, www.indiabudget.nic.in)

INDUSTRIAL PERFORMANCE

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

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

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

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

Source: CSO

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

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

(Source-Economic Survey 2015-16-Volume-II, www.indiabudget.nic.in)

MICRO SMALL AND MEDIUM ENTERPRISES SECTOR

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

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

- **Udyog Aadhar Memorandum (UAM):** The UAM scheme, which was notified in September 2015 under section 8 of the MSME Development Act 2006, is a path-breaking step to promote ease of doing business for MSMEs. Under the scheme, MSME entrepreneurs just need to file an online entrepreneurs' memorandum to instantly get a unique Udyog Aadhaar Number (UAN). The information sought is on self-certification basis and no supporting documents are required. This marks a significant improvement over the earlier complex and cumbersome procedure.
- **Employment Exchange for Industries:** To facilitate match making between prospective job seekers and employers an employment exchange for industries was launched on June 15, 2015 in line with Digital India. More than 3.42 lakh job seekers have been registered on the portal as on December 30, 2015.
- **Framework for Revival and Rehabilitation of MSMEs:** Under this framework, which was notified in May 2015, banks have to constitute a Committee for Distressed MSME enterprises at zonal or district level to prepare a Corrective Action Plan (CAP) for these units.
- **A scheme for Promoting Innovation and Rural Entrepreneurs (ASPIRE):** ASPIRE was launched on March 16, 2015 with the objective of setting up a network of technology centres and incubation centres to accelerate entrepreneurship and promote start-ups for innovation and entrepreneurship in rural and agriculture based industry.

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

(Source-Economic Survey 2015-16-Volume II, www.indiabudget.nic.in)

OUTLOOK FOR GROWTH

Real GDP growth for 2015-16 is expected to be in the 7 to $7^{3/4}$ range, reflecting various and largely offsetting developments on the demand and supply sides of the Indian economy. Before analysing these factors, however, it is important to step back and note one important point. India's long-run potential GDP growth is substantial, about 8-10 percent. But its actual growth in the short run will also depend upon global growth and demand. After all, India's exports of manufactured goods and services now constitute about 18 percent of GDP, up from about 11 percent a decade ago.

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

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

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

- To measure the demand for India's exports, we calculate a proxy-weighted average GDP growth rate of India's export partners. The weights are the shares of partner countries in India's exports of goods and services. We find that this proxy for export demand growth declined from 3.0 percent in 2014 to 2.7 per cent in 2015, which helps explain the deceleration in India's non-oil exports, although the severity of the slowdown—in fact, a decline in export volume—went beyond adverse external developments. Current projections by the IMF indicate that trading partner growth this demand will improve marginally this year to about 2.8 percent. But the considerable downside risks suggest that it would be prudent not to count on a big contribution to GDP growth from improving export performance.
- On the domestic side, two factors could boost consumption. If and to the extent that the Seventh Pay Commission (7th PC) is implemented, increased spending from higher wages and allowances of government workers will start flowing through the economy. If, in addition, the monsoon returns to normal, agricultural incomes will improve, with attendant gains for rural consumption, which over the past two years of weak rains has remained depressed.
- Against this, the disappearance of much of last year's oil windfall would work to reduce consumption growth. Current prospects suggest that oil prices (Indian crude basket) might average US\$ 35 per barrel next fiscal year compared with US\$ 45 per barrel in 2015-16. The resulting income gain would amount roughly equivalent to 1 percentage point of GDP – an 18 per cent price decline times a share of net oil imports in GDP of 6 percent. But this would be half the size of last year's gain, so consumption growth would slow on this account next year.
- According to analysis done by Credit Suisse, (non-financial) corporate sector profitability has remained weak, falling by 1 percent in the year to December 2015. This decline reflected a sharp deterioration in the financial health of the metals—primarily steel—companies, which have now joined the ranks of companies under severe financial stress. As a result, the proportion of corporate debt owed by stressed companies, defined as those whose earnings are insufficient to cover their interest obligations, has increased to 41 percent in December 2015, compared to 35 percent in December 2014.³ In response to this stress, companies have once again been compelled to curb their capital expenditures substantially.

- Finally, the path for fiscal consolidation will determine the demand for domestic output from government. The magnitude of the drag on demand and output will be largely equal to the size of consolidation, assuming a multiplier of about 1.
- There are three significant downside risks. Turmoil in the global economy could worsen the outlook for exports and tighter financial conditions significantly. Second, if contrary to expectations oil prices rise more than anticipated, this would increase the drag from consumption, both directly, and owing to reduced prospects for monetary easing. Finally, the most serious risk is a combination of the above two factors. This could arise if oil markets are dominated by supply-related factors such as agreements to restrict output by the major producers.
- The one significant upside possibility is a good monsoon. This would increase rural consumption and, to the extent that it dampens price pressures, open up further space for monetary easing.
- Putting these factors together, we expect real GDP growth to be in the 7 to $7^{3/4}$ per cent range, with downside risks because of on-going developments in the world economy. The wider range in the forecast this time reflects the range of possibilities for exogenous developments, from a rebound in agriculture to a full-fledged international crisis; it also reflects uncertainty arising from the divergence between growth in nominal and real aggregates of economic activity.

(Source-Economic Survey 2015-16-Volume I, www.indiabudget.nic.in)

INDIA'S INCREASING IMPORTANCE TO GLOBAL GROWTH

Despite global headwinds and a truant monsoon, India registered robust growth of 7.2 per cent in 2014-15 and 7.6 per cent in 2015-16, thus becoming the fastest growing major economy in the world. As per the estimates of the International Monetary Fund (IMF), global growth averaged 3.1 per cent in 2015, declining from 3.4 per cent registered in 2014. While growth in advanced economies has improved modestly since 2013, the emerging economies have witnessed a consistently declining trend in growth rate since 2010. It is against this background that the recent Indian growth story appears particularly bright.

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

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

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

(Source-Economic Survey 2015-16-Volume II, www.indiabudget.nic.in)

GLOBAL MANUFACTURING SECTOR

World manufacturing growth

World manufacturing output growth remained low during the third quarter of 2016, reflecting a prolonged yet fragile recovery process in industrialized economies and weakened growth prospects in developing and emerging industrial economies. Although the world manufacturing growth trend has been relatively stable with a lower degree of volatility, there is no clear indication yet that the current period of low growth will end any time soon. On the contrary, the uncertainty accompanying the political developments in trans-Atlantic relations with a potential impact on global trade arrangements may create new risks.

World manufacturing output rose by 2.4 per cent in the third quarter of 2016 compared to the same period of the previous year. The positive trends with some improvement in growth figures since the last quarter were observed across all country groups (Figure 1), including industrialized countries and the world average.

In response to the persistently low growth in manufacturing, enterprises and policymakers have introduced some structural reforms. However, the results of these reforms are yet to be seen. Major industrialized economies with significant contributions to global manufacturing output, namely the United States, Japan and Germany, continue to record low growth rates. In China, the world's largest manufacturer, comparably lower growth rates have now became more prevalent, thus pushing the average industrial growth of emerging industrial economies downward.

The manufacturing output of industrialized economies increased slightly to 0.6 per cent in the third quarter of 2016 from 0.3 per cent in the previous quarter. This rise is primarily attributable to the performance of East Asia, which registered a low, but positive growth rate at 0.8 per cent in the third quarter of 2016 following several consecutive slumps that have lasted for nearly two years. The main force driving this upturn is Japan, East Asia's major manufacturer – its manufacturing sector seems to have withstood sluggish external demand fairly well amid a soaring yen in the third quarter of this year. Production increase in Europe had a positive impact on the manufacturing growth of industrialized countries as a whole. By contrast, the growth of North America's manufacturing output slowed in the third quarter of 2016 to a negligible gain of 0.1 per cent.

Figure 1: Growth of world manufacturing output in % compared to the same quarter of the previous year

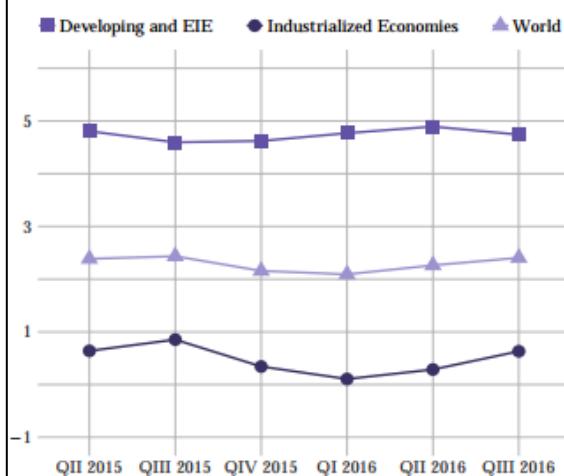
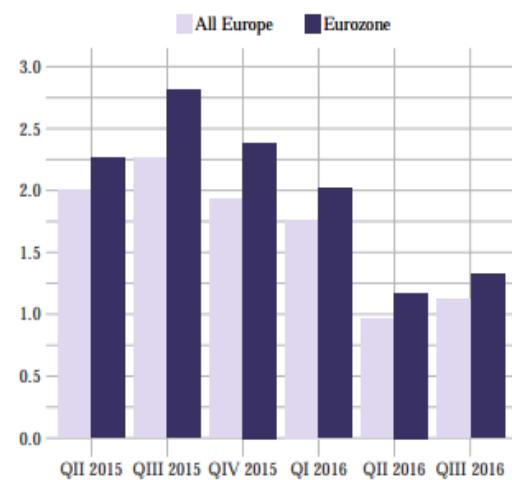


Figure 2: Growth rates of manufacturing output in Europe, in % to the same period of the previous year



The manufacturing growth rate in developing and emerging industrial economies has remained below 5.0 per cent since the beginning of 2015. Manufacturing output in these countries rose by 4.7 per cent in the third quarter of 2016. The region's growth performance varied considerably: Asian economies maintained a relatively higher growth rate, while Latin America's manufacturing output decreased.

Brazil's manufacturing output fell, affecting the growth performance of the entire region. Some improvement was seen in Africa, primarily due to the strengthening of South Africa's manufacturing output. Rising growth rates were also recorded in other African countries, though data for sub-Saharan African countries is generally limited. Despite some improvements, the threat of another slowdown looms over developing economies as long as economic and political instability persists in industrialized countries.

As depicted in Figure 1, the level of growth in developing economies has been consistently higher than in industrialized countries. The pace of growth exhibits similar trends in both country groups, with a slightly more positive picture for industrialized countries as their growth performance moves upward

(Source: *World Manufacturing Production- Statistics for Quarter III, 2016; United Nations Industrial Development Organisation - www.unido.org*)

Industrialized economies

The manufacturing output of industrialized countries maintained a positive growth rate in the third quarter of 2016. However, as mentioned above, the pace of growth over the observed period has been too slow. The quarterly growth rate increased slightly to 0.6 per cent from 0.3 per cent in the previous quarter, when comparing the year-to-year development. When looking at the quarter-to-quarter development, a growth rate of 0.4 per cent was observed, following several quarters in which nearly no change was recorded. Growth in industrialized economies in the third quarter of 2016 was characterized by an overall moderate, albeit noticeable slowdown in Europe and North America, and an upward trend in East Asia, following a period of several consecutive slumps.

Among the industrialized country group, Europe's manufacturing output grew by merely 1.1 per cent in the third quarter of 2016. The eurozone registered a growth rate of 1.3 per cent. At the peak of the financial crisis, UNIDO's Quarterly Reports presented disaggregated data for the eurozone economies to differentiate their growth rates from those of the rest of Europe. This difference seems to have narrowed in recent quarters. In more general terms, manufacturing growth in European countries continues to be affected by the uncertainty generated by Brexit and the political developments in the United States, which may influence the established global and regional trade arrangements.

When comparing year-to-year developments among the leading eurozone economies, Italy registered a 2.8 per cent growth followed by Germany with a growth rate of nearly a 1.0 per cent. No growth was observed in France. The growth figures for the majority of eurozone countries were positive, with strong growth performances observed in Slovenia, Cyprus and Greece. Manufacturing output rose by more than 2.2 per cent in the Netherlands, Spain, Lithuania and Belgium, but Ireland and Portugal witnessed a lower growth rate at 1.2 per cent and 1.5 per cent, respectively. The decrease in Ireland's manufacturing output reflected post-Brexit volatility, but was also attributable to a high comparison threshold based on the country's remarkable manufacturing expansion in 2015.

Beyond the eurozone, manufacturing output growth in the third quarter in the United Kingdom dropped to a marginal rate of 0.5 per cent in the aftermath of Brexit. The pace of growth also slowed in some industrialized Central European countries such as the Czech Republic and Hungary. Industrial production in Switzerland grew 2.4 per cent, reversing the decline registered in previous periods.

The manufacturing output of East European countries achieved relatively higher growth. Manufacturing output rose by 4.6 per cent in Poland and Romania, 4.1 per cent in Bulgaria and 4.9 per cent in Serbia. Among the Nordic economies, Norway's manufacturing sector has taken a long-term hit due to falling oil prices and continued its downward trajectory in the third quarter of 2016. Manufacturing output in the Russian Federation grew by a moderate rate of 0.7 per cent, continuing its shaky recovery after the country's economy was severely hit by the drop in oil prices.

Overall manufacturing production in North America grew by 0.1 per cent compared to the third quarter of the previous year. Despite some signs of improvement in the United States, the manufacturing sector recorded only weak export growth due to a still strong dollar and subdued global

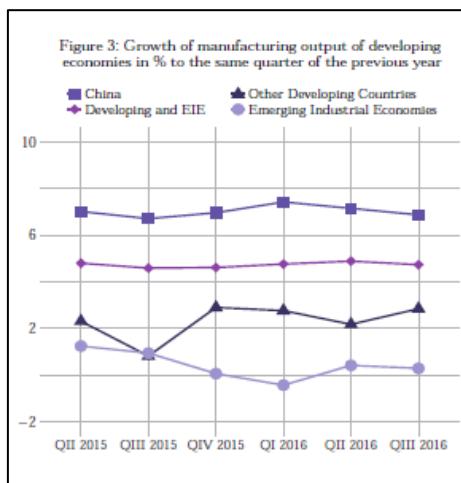
demand. When comparing year-to-year development, total manufacturing output of the United States remained flat in the third quarter of 2016. A number of manufacturing industries in the United States reported a decline compared to the same quarter in the previous year. At the same time, positive growth was reported in the production of motor vehicles, computers, electronic and optical products and textiles. In Canada, manufacturing growth in the third quarter of 2016 varied considerably by industry. While the production of pharmaceuticals, petroleum products and basic metals coke remained strong, production dropped in textiles, wearing apparel and fabricated metal products. Aggregated growth of manufacturing output in Canada was below 1.0 per cent in the third quarter of 2016.

The industrialized economies of East Asia managed to break a long period of consecutive contraction with a 0.8 per cent growth in the third quarter compared to the same period of the previous year. A major contributor to this change was Japan, which recorded a positive growth rate of 0.5 per cent following a nearly two-year period of consecutive slumps. This upswing is primarily attributable to the boost in the automotive industry. Despite this improvement, the uncertain global outlook and a strong yen remain a concern for Japan's manufacturing sector. Manufacturing output in Malaysia, the Republic of Korea and Singapore witnessed a gain of 3.9 per cent, 0.9 per cent and 1.2 per cent, respectively; in Malaysia and Singapore, this increase was attributable to the significant growth in the production of computers, electronics and optical products.

(Source: *World Manufacturing Production- Statistics for Quarter III, 2016; United Nations Industrial Development Organisation - www.unido.org*)

Developing and emerging industrial economies

A slowdown in China and a downturn in Latin America have affected the overall growth of manufacturing output in developing and emerging industrial economies. In the third quarter of 2016, manufacturing production in China rose by 6.9 per cent over the same period of the previous year, but reflected a slowdown from the 7.2 per cent growth rate recorded in the previous quarter. Following an uninterrupted downward trajectory since late 2013, the trend in China now seems to be towards stabilization at a relatively lower pace. The deceleration in the third quarter of 2016 was mainly driven by weak external demand and a weakened growth of the production of basic metals, China's strongest industry. The closure of a number of factories ahead of the G-20 Summit held at the beginning of September also negatively impacted the manufacturing sector. However, due to strong domestic demand, China's manufacturing sector has proven resilient to external shocks.



Latin American economies, on the other hand, were not as resilient as China's. Nonetheless, data for the third quarter of 2016 indicate some signs of improvement. Manufacturing output in Latin America, which has recently faced severe decline due to subdued global demand, low commodity prices and domestic political turbulence, has reduced the declining rate to 2.0 per cent. This development could be a break with the downward trend. This shift is attributable to Brazil, where the drop in manufacturing output was below 5.0 per cent in a year-to-year comparison. Some other larger Latin American manufacturers, namely Mexico, Colombia and Peru, recorded a positive growth of 1.2

per cent, 2.7 per cent and 2.0 per cent, respectively, while Argentina and Chile experienced contraction.

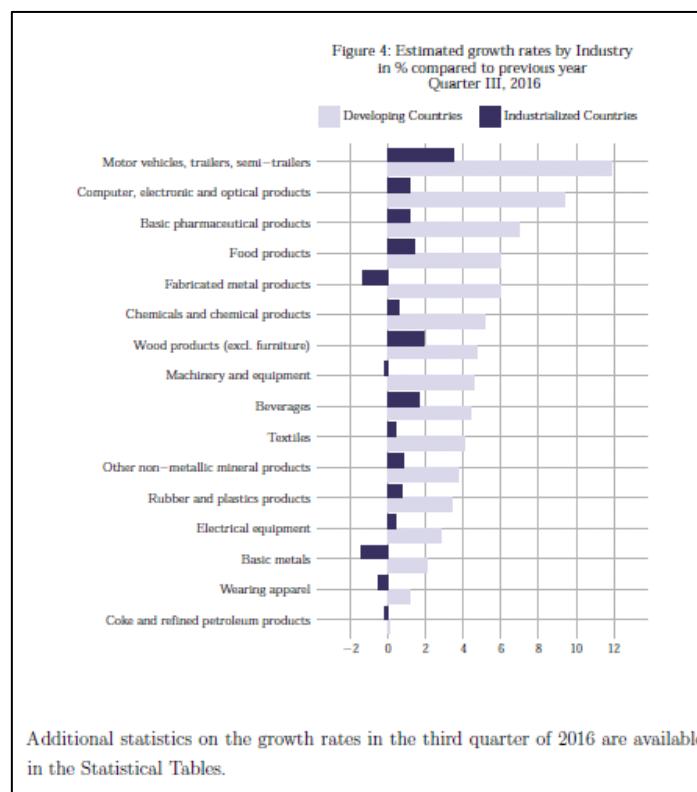
Growth performance was much higher in Asian economies, where manufacturing output rose by 6.3 per cent in the third quarter of 2016. Viet Nam maintained its position of one of the fastest growing Asian economies with a double-digit growth in eight consecutive quarters. At present, its manufacturing sector is benefitting from export-oriented industries such as computers, electronics and optical products. Indonesia's expansion of manufacturing output by 5.5 per cent continued in the third quarter, confirming its recent entry to the top 10 largest global manufacturers. However, India's manufacturing output, which achieved impressive growth rates in the last quarters, contracted with a much lower growth rate of 0.9 per cent in the third quarter. Positive developments were observed in other Asian economies. Manufacturing output in Saudi Arabia rose by 4.0 per cent and by 1.9 per cent in Mongolia.

Estimates based on the limited available data indicate that manufacturing output in Africa increased by 0.5 per cent, the same pace of manufacturing growth measured in South Africa, the region's most industrialized economy. South Africa's manufacturing production was mainly driven by increasing output in refined petroleum products, the automotive industry and chemical products. Manufacturing production in Cote d'Ivoire registered a 4.9 per cent gain while Tunisia's manufacturing output grew by 1.3 per cent. Egypt's manufacturing output fell by 2.1 per cent according to UNIDO estimates.

(Source: *World Manufacturing Production- Statistics for Quarter III, 2016; United Nations Industrial Development Organisation -www.unido.org*)

Key Findings of the analysis

Global manufacturing production maintained a positive growth in nearly all industries in the third quarter of 2016. High and medium-high manufacturing industries held top positions – the manufacture of motor vehicles rose by 6.4 per cent, the production of computers, electronics and optical products grew by 4.6 per cent and the production of pharmaceutical products by 3.4 per cent. Among other fast growing industries, the production of textiles increased by 3.1 per cent. By contrast, the largest loss was recorded by the tobacco industry, with its global production declining by 8.0 per cent.



As regards durable and capital goods, the manufacture of non-metallic mineral products, which essentially supply construction materials, registered a growth figure of 2.5 per cent worldwide. The manufacture of furniture, the production of machinery and equipment and of fabricated metal products rose at a moderate pace by 1.6 per cent, 1.4 per cent and 1.0 per cent, respectively. The pace of the growth of the global manufacturing of basic metals slowed to below 1.0 per cent, mostly due to a significant slowdown reported by China and a visibly decreased production of basic metals in the Russian Federation in the third quarter of 2016.

Global manufacturing output maintained relatively high growth rates in the production of basic consumer goods. The manufacture of food products rose by 3.3 per cent, beverages by 2.9 per cent and wearing apparel by 0.8 per cent. As regards other low-technology manufacturing sectors, the global production of wood products rose by 2.9 per cent, while the manufacturing of paper products only increased by 1.0 per cent.

As illustrated in Figure 4, the growth performance of developing and emerging industrial economies outperformed industrialized economies in all manufacturing industries, including a number of high-technology industries. Disaggregated data by industrialized economies indicate that the performance of industrialized countries was evenly split among all manufacturing industries according to technological intensity. The fastest growing industry in both country groups was the automotive industry, reflecting strong growth of automobile production in China as well as in European countries.

The growth rates for selected industries are presented below.

(Source: *World Manufacturing Production- Statistics for Quarter III, 2016; United Nations Industrial Development Organisation -www.unido.org*)

MANUFACTURING SECTOR IN INDIA

Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, had launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy.

India's ranking among the world's 10 largest manufacturing countries has improved by three places to sixth position in 2015#.

The Government of India has set an ambitious target of increasing the contribution of manufacturing output to 25 per cent of Gross Domestic Product (GDP) by 2025, from 16 per cent currently.

Market Size

India's manufacturing sector has the potential to touch US\$ 1 trillion by 2025. There is potential for the sector to account for 25-30 per cent of the country's GDP and create up to 90 million domestic jobs by 2025. Business conditions in the Indian manufacturing sector continue to remain positive.

Investments

In a major boost to the 'Make in India' initiative, the Make in India week which was held in Mumbai between February 13 and 18, 2016, received an overwhelming response from investors. The fair had closed with INR 15.2 trillion (US\$ 225.32 billion) in investment commitments.

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power.

In September 2016, Foreign Direct Investment (FDI) in electronic manufacturing has reached an all-time high of Rs 123,000 crore (US\$ 18.36 billion) in 2016, from Rs 11,000 crore (US\$ 1.65 billion) in 2014; on the back of enabling policies of the government and its Make in India initiative.

India has become one of the most attractive destinations for investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- Huawei, the China-based smartphone manufacturer, has entered into an agreement with solutions provider Flextronics Technologies (India) Private Limited, to manufacture its smartphones in India. Flextronics would start by making 3 million smart phones at its facility in Chennai and is expected to generate additional 1,500 jobs.
- Tristone Flowtech Group, the Germany-based flow technology systems specialist, has set up a new facility in Pune, which will manufacture surge tank as well as engine cooling and aircharge hose for the Indian market. The company plans to start the production at the plant in the fourth quarter of 2017.
- Tata Power has partnered with US-based Javelin Joint Venture, which is a partnership between Raytheon Company and Lockheed Martin, for its Strategic Engineering Division (SED), in order to create a strategy to co-develop and produce the Javelin missile system and integrate platform mounts to meet Indian requirements.
- LeEco, a Chinese technology company, has entered into a partnership with Compal Technologies and invested US\$ 7 million to set up manufacturing facility at Greater Noida in order to start manufacturing Le2 smartphones in India.
- Zopo Mobile, a China-based smartphone manufacturer, plans to invest Rs 100 crore (US\$ 15 million) to set up a manufacturing plant in Noida by the end of 2016, which will have a monthly production capacity of 100,000 units.
- Honda Motorcycle & Scooter India plans to invest around Rs 600 crore (US\$ 88.94 million) to add a new line at its Narsapura facility at Karnataka, and launch at least 10-15 products during FY 2016-17 in the country.
- Force Motors, a utility and commercial vehicles manufacturer, inaugurated its Rs 100 crore (US\$ 14.82 million) manufacturing facility in Pune, which will supply engines and axles to the Germany-based automobile manufacturer Mercedes-Benz.
- Boeing Company, an American plane maker, and Tata Advanced Systems Ltd (TASL), a fully owned subsidiary of Tata Sons, have entered into a joint venture to set up a new facility in Hyderabad to manufacture Boeing AH-64 Apache helicopter fuselages.
- Panasonic Corporation plans to set up a new manufacturing plant for refrigerators in India with an investment of Rs 250 crore (US\$ 37 million), and also invest around Rs 20 crore (US\$ 3 million) on an assembly unit for lithium ion batteries at its existing facility in Jhajjar in the next 8-10 months.
- Vital Paper Products, one of the major supply chain players in the paper and paper products industry, plans to set up a packaging product unit in the Special Economic Zone (SEZ) of Sri City, Andhra Pradesh, at an investment of Rs 60 crore (US\$ 8.89 million), which will be operational from April 2017.
- Isuzu Motors, the Japan-based utility vehicle manufacturer, has inaugurated its greenfield manufacturing unit in Sri City, Andhra Pradesh, which was set up for Rs 3,000 crore (US\$ 444.72 million), with an annual production capacity of 50,000 units and is estimated to generate around 2,000-3,000 jobs.
- Airbus has procured more than US\$ 500 million worth of supplies from India in 2015, registering a growth of 15 per cent annually and has targeted a cumulative procurement of more than US\$ 2 billion over a period of five years up to 2020.
- Havells India Limited, one of the top Indian consumer electrical equipment producer, plans to set up a new manufacturing unit near Bengaluru by making an investment of Rs 1,059 crore (US\$ 156.99 million), which would be its twelfth plant in India and its first outside north India.
- Global beverage company Pepsi plans to invest Rs 500 crore (US\$ 74 million) to set up another unit in Maharashtra to make mango, pomegranate and orange-based citrus juices, while biotechnology giant Monsanto plans to set up a seed plant in Buldhana district of Maharashtra.

- Hindustan Coca-Cola Beverages plans to set up a bottling plant with an investment of Rs 750 crore (US\$ 111.2 million) in phases at the first industrial area being developed by Government of Madhya Pradesh under the public private partnership in Babai village of Hoshangabad, Bhopal.
- Canada's Magna International Incorporated has started production at two facilities in Gujarat's Sanand, which will supply auto parts to Ford Motor Co in India and will employ around 600 people at both units.

Government Initiatives

In a bid to push the 'Make in India' initiative to the global level, Mr Narendra Modi, Prime Minister of India, pitched India as a manufacturing destination at the World International Fair in Germany's Hannover in 2015. Mr Modi showcased India as a business friendly destination to attract foreign businesses to invest and manufacture in the country.

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- The National Institution for Transforming India (NITI Aayog), after its recent push for Rs 6,000 crore (US\$ 889 million) textile sector package, aims to persuade the Government for similar support in the manufacturing sectors with large-scale employment generation opportunities, such as electrical and electronics engineering, footwear and light manufacturing segments, which also have export potential.
- The Ministry of Labour and Employment plans to relax compliance measures for MSMEs by exempting them from inspections related to key labour laws in order to encourage entrepreneurs to help promote manufacturing in India.
- The Government of India plans to give a big boost to local manufacturing by introducing the new 'Make in India green channel', which will reduce the time taken for cargo clearance at ports from about a week to a few hours without any upfront payment of duties.
- Gujarat government is planning to set up an electronics products manufacturing hub in the state, through its newly announced Electronics Policy 2016, which will generate about 500,000 jobs in the electronics sector in the next five years.
- The Ministry of Heavy industries and Public Enterprises, in partnership with industry associations, has announced creation of a start-up centre and a technology fund for the capital goods sector to provide technical, business and financial resources and services to start-ups in the field of manufacturing and services.
- The Government of India plans to implement a new Defence Procurement Policy (DPP) by April, 2016 under which priority will be given to the indigenously made defence products and 25 per cent share of defence production will be open to private firms.
- The Government plans to organise a 'Make in India week' in Mumbai between February 13-18, 2016 to boost the 'Make in India' initiative and expects 1,000 companies from 10 key sectors to participate in the exhibition of innovative products and processes, a hackathon and sessions on urban planning, among other events.
- NITI Aayog plans to release a blueprint for various technological interventions which need to be incorporated by the Indian manufacturing economy, with a view to have a sustainable edge over competing neighbours like Bangladesh and Vietnam over the long term.
- Ms Nirmala Sitharaman, Minister of State (Independent Charge) for Commerce and Industry, has launched the Technology Acquisition and Development Fund (TADF) under the National Manufacturing Policy (NMP) to facilitate acquisition of Clean, Green and Energy Efficient Technologies, by Micro, Small & Medium Enterprises (MSMEs).
- The Government of India has asked New Delhi's envoys in over 160 countries to focus on economic diplomacy to help government attract investment and transform the 'Make in India' campaign a success to boost growth during the annual heads of mission's conference. Prime

Minister, Mr Modi has also utilised the opportunity to brief New Delhi's envoys about the Government's Foreign Policy priority and immediate focus on restoring confidence of foreign investors and augmenting foreign capital inflow to increase growth in manufacturing sector.

- The Government of Uttar Pradesh has secured investment deals valued at Rs 5,000 crore (US\$ 741.2 million) for setting up mobile manufacturing units in the state.
- Government of India has planned to invest US\$ 10 billion in two semiconductor plants in order to facilitate electronics manufacturing in the country.
- Entrepreneurs of small-scale businesses in India will soon be able to avail loans under Pradhan Mantri MUDRA Yojana (PMMY). The three products available under the PMMY include: Shishu - covering loans up to Rs 50,000 (US\$ 735), Kishor - covering loans between Rs 50,000 (US\$ 735) to Rs 0.5 million (US\$ 7,340), and Tarun - covering loans between Rs 0.5 million (US\$ 7,340) and Rs 1 million (US\$ 14,700).

Road Ahead

The Government of India has an ambitious plan to locally manufacture as many as 181 products. The move could help infrastructure sectors such as power, oil and gas, and automobile manufacturing that require large capital expenditure and revive the Rs 1,85,000 crore (US\$ 27.42 billion) Indian capital goods business. India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

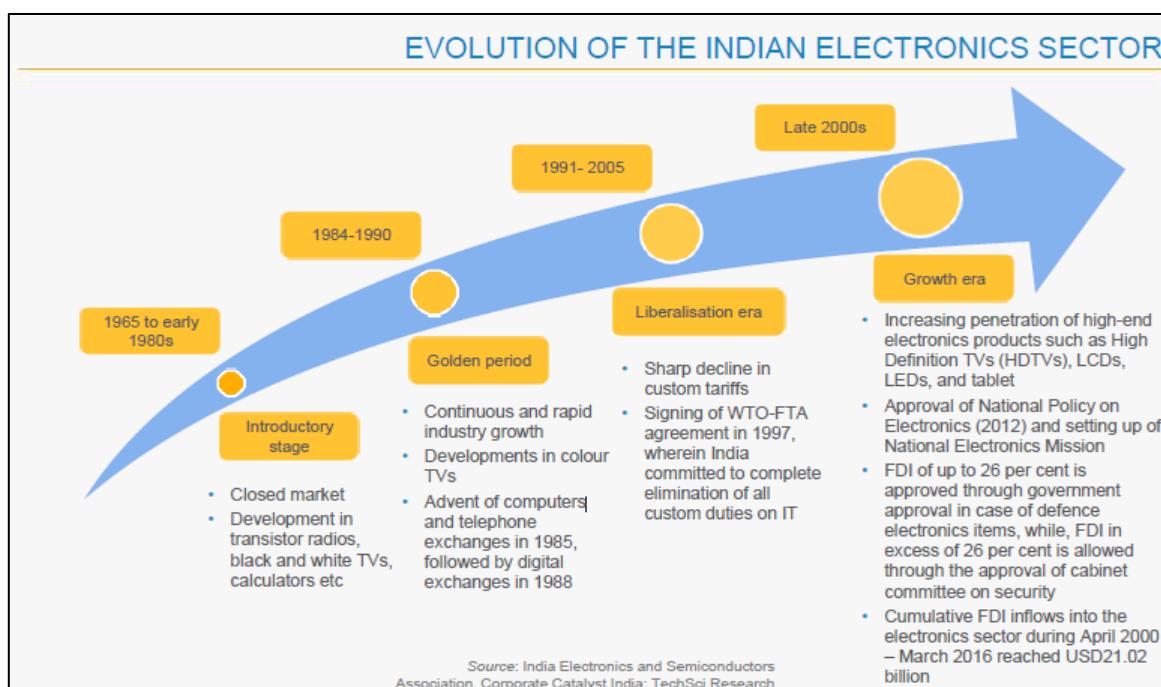
Exchange Rate Used: INR 1 = US\$ 0.0149 as on September 30, 2016

References: Media Reports, Press Releases, Press Information Bureau, McKinsey & Company

Notes: # - According to 'The Yearbook' a report by United Nations Industrial Development Organization (UNIDO)

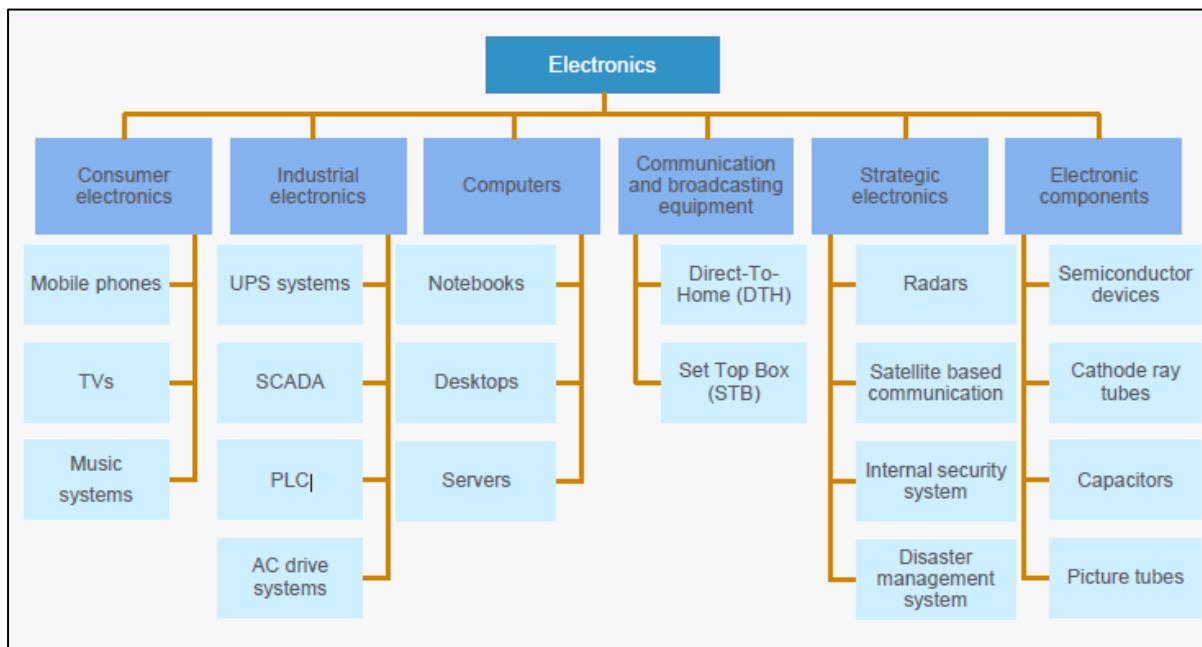
(Source: Manufacturing Sector in India - India Brand Equity Foundation, www.ibef.org)

EVOLUTION OF THE INDIAN ELECTRONICS SECTOR



(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

INDIAN ELECTRONICS SECTOR SEGMENTATION



(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

NOTABLE TRENDS IN THE ELECTRONICS SECTOR

Consumer electronics

Increased presence of organised retail and affordability due to technological advancement. Expansion into new segments such as HDTVs, tablets and smart phones. Under Union Budget FY17, government exempted parts & components, subparts for manufacturing of routers, broadband modems, set-top boxes for internet & TV, CCTV camera/IP camera, lithium-ion battery except mobile handsets from the purview of BCD, CVD, SAD duties.

Industrial electronics

Application of state-of-the-art systems such as Decision Analysis, 3-D coordinate systems, smart image processing, Nanotechnology, Nano scale assemblies, DCS, etc., across various sections of the industry. Introduction of robotics to manage process and equipment's for sensitive industries like Chemical Industry, Nuclear Power Generation etc. Integration of production and business operations Artificial Intelligence has been made available which would help the sector to improve its quality control thereby making it more efficient

Computers

One of the fastest-growing IT systems and hardware market in Asia Pacific. Notebooks segment have recorded a growth rate of 17 per cent in FY15; tablet ownership registered a growth of 27 per cent in 2014 – 15 from the previous year. The industry of computer hardware in India grew from USD2.9 billion in FY14 to USD3.06 billion in FY15. Expansion of server market into smaller cities, and small and medium businesses.

Electronic components

Semiconductors lead segmental growth. High growth in key determinants for electronic components, namely consumer electronics, telecom, defence and IT verticals. Total Semiconductor market in India is estimated to reach USD9.66 billion by the end of 2015

Strategic electronics

The production in strategic electronic segment in India increased from USD2.29 billion in FY14 to USD2.57 billion in FY15. Economic growth and low costs are likely to provide impetus to aerospace market. Nuclear power to play a large role in India's energy security needs. Companies such as Bharat Electronics Limited, Hindustan Aeronautics Limited, Electronics Corporation of India Limited, Bharat Dynamics Limited dominated this segment

C&B equipment's

Growing broadband subscriber base. As on 30th June, 2016, the total number of telephone subscribers in the country was 1,059.86 million, covering wireless subscriber base of 1,035.12 million and wire line subscriber base of 24.74 million, respectively

E – Waste Management

Increasing Adoption of Electronic Waste Management Scheme supported by the regulatory framework has improved the electronics sector to a large extent

Major Contributors to Employment

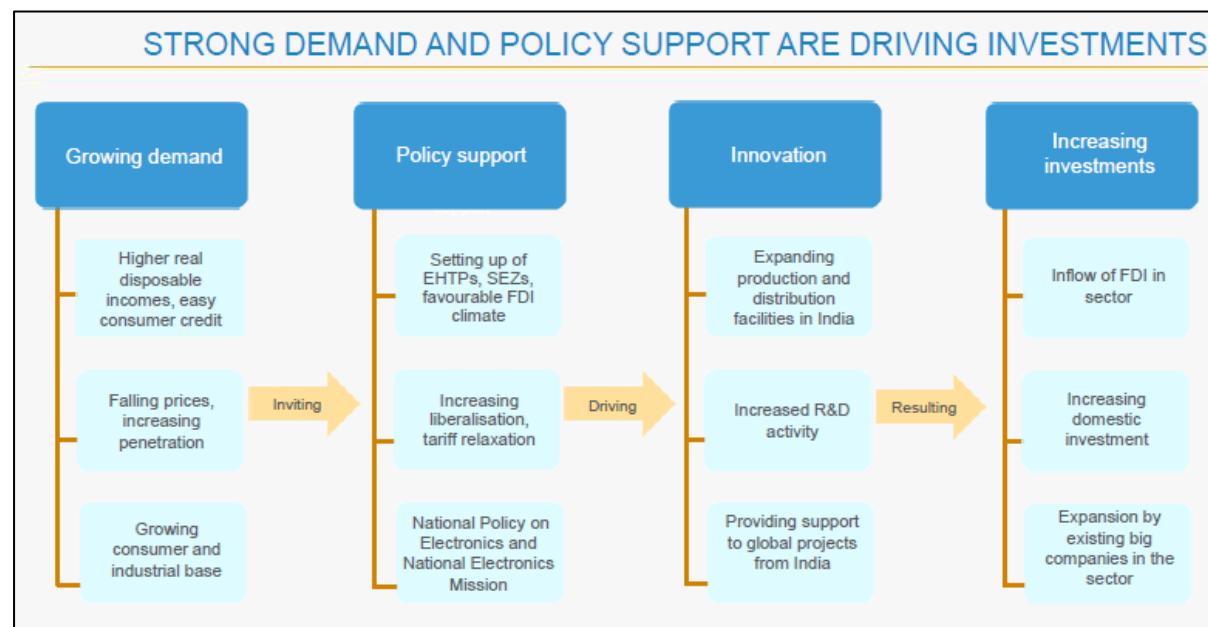
Major segments such as Consumer Electronics, Telecom Equipment, and IT Hardware can be major contributors to employment

Increasing Consumption and potential for production

Increasing PFCE on Recreational and Educational services and Home appliances are expected to contribute to the rise in consumption and production of Electronics and IT Hardware. Growth of 17 per cent is expected with major contributors being Consumer Electronics, Telecom and computers

(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

STRONG DEMAND AND POLICY SUPPORT ARE DRIVING INVESTMENTS



(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

Encouragement to FDI, SEZs

100 per cent FDI is allowed under the automatic route in the Electronics Systems Design & Manufacturing sector and is subject to all applicable regulations and laws. In case of electronics items for defence, FDI up to 49 per cent is allowed under the government approval route, whereas anything above 49 per cent is allowed through the approval of the cabinet committee on security.

Customs duty relaxation

No customs duty on 217 tariff lines covered under the Information Technology Agreement (ITA-1) of the WTO. Peak rate for basic customs duty is 10 per cent

Reduced central excise

Mean rate of excise duty (CENVAT) is 12.5 per cent. Microprocessors, hard disc drives, CD ROM drives, DVD drives/DVD writers, flash memory sticks, and combo-drives are exempt from excise duty payment and SAD. Components and accessories of mobile handsets are exempt from excise duty and SAD

Electronic Development Fund Policy

Approved by Cabinet in December 2014. Supports R&D by participating in venture funds, Innovation and IP Generation in Electronics, Information Technology and Nano Electronics

Inverted Duty

Inverted Duty has been rationalised for various electronics products including tablets, mobile phones, LED lights, LCD/LED TVs, telecom equipment etc.

EPCG, EHTP schemes

EPCG allows import of electronic capital goods without paying any customs duty. EHTP provides benefits, such as duty waivers and tax incentives, to companies which replace certain imports with local manufacturing. Cabinet approved the Modified Special Incentive Package Scheme (M-SIPS) to boost electronics manufacturing in India, under which the firms achieving a turnover of US\$1.48 billion within a timeframe of 5 years from the approval date would be incentivised.

Intellectual Property Rights

Intellectual Property Rights (IPR) is a key determinant of progress in R&D and innovation in the electronics sector. GOI has amended relevant IPR-related acts (like the Copyright Act, Trademark Act, New Designs Act) from time to time to help spruce up innovation and new technologies in the sector.

MSIPS

The scheme was notified on July 27, 2015 to attract investments in electronics manufacturing. Incentives would be provided under MSIPS on the investment proposals being received. Till September 2015, investments of USD17.5 billion have been received. In December 2016, the IT and Electronics Ministry is planning to take forward a reworked flagship incentive scheme MSIPS (Modified Special Incentive Package Scheme) for electronics manufacturing, to be presented to the Cabinet, with an objective to fast-forward investments

Electronic Manufacturing Cluster (EMC) Scheme

The Scheme attracts investments for the Electronics Systems Design and Manufacturing(ESDM) Sector by supporting the creation of world – class infrastructure. The scheme provides support for setting up Greenfield and Brownfield EMCs in the form of grant – in – aid only. As of July 2015, investments of USD13.96 million for 2 EMCs have been approved. Total number of EMCs approved in the last 1 year have become 21; 16 for Greenfield EMCs, 3 for Brownfield EMCs in 7 states. As of December 2015, investments of USD18.67 billion have been allocated in the electronics manufacturing sector.

(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

NATIONAL ELECTRONICS POLICY 2012 – KEY OBJECTIVES

Favourable business conditions

To create an ecosystem for a globally competitive electronic system design & manufacturing sector and to achieve a turnover of about USD400 billion by 2020, including investments of about USD100 billion, as well as to provide employment to around 28 million people at various levels

Focus on new technologies

To build on the emerging chip design and embedded software industry for achieving global leadership in Very Large Scale Integration (VLSI), chip design, and other frontier technical areas, and to achieve a turnover of USD55 billion by 2020, also focus on handling e-waste in an environment friendly policies.

Promote exports

To increase export in the electronic system design & manufacturing sector from USD5.5 billion to USD80 billion by 2020

Improving supply chain

To build a strong supply chain of raw materials, parts, and electronic components for raising the indigenous availability of these inputs from the current 20–25 per cent to over 60 per cent by 2020

Building competencies

To develop core competencies in strategic and core infrastructure sectors such as telecommunications, automotive, avionics, industrial, medical, solar, information and broadcasting, and railways

Electronic Manufacturing Clusters (EMCs)

Provide incentives for setting up of 200 Electronic Manufacturing Clusters (EMCs) – setting up of Greenfield EMCs and up gradation of brownfield EMCs

Magnetic Heads

BCD of 7.50/10.00 per cent would be imposed on ceramic/magnetic cartridges and stylus, level meters/level indicators/ tuning indicators/ peak level meters/ battery meter/VC meters/ tape counters, antennas, EHT cables, tone arms, electron guns

Road Construction Machinery

CVD of 12.50 per cent would be charged on specified machinery required for construction of roads

Mobile Phones

BCD of 10 per cent, CVD of 12.50 per cent and SAD of 4 per cent will be imposed on charger/ adapter, battery & wired headsets/speakers for manufacture of mobile phones. Whereas, no duty will be charged on inputs, parts & components, subparts for manufacturing of charger/adapter, battery and wired headsets/speakers of mobile phones. SAD of 2 per cent on populated PCB for manufacturing of mobile phones

Telecommunication Equipment

BCD of 10 per cent on specified telecommunication equipment (Soft switches and VoIP) equipment namely VoIP phones, media gateways, etc. BCD of 10 per cent on preform silica to manufacture telecom grade optical fibre/cables

Tablet & Desktop Computers/Laptops

SAD of 4 per cent on populated PCBs for manufacture of personal computers (laptop or desktop). SAD of 2 per cent on populated PCB for manufacture of tablet computers

Electrical Equipment's

Exemption of BCD & SAD from machinery, electrical equipment & instrument and parts, thereof (except PCBs) for semiconductor wafer fabrication/LCD fabrication units. Machinery, electrical equipment and instrument and parts thereof (except populated PCBs) imported for Assembly, Test, Marking and Packaging of semiconductor chips (ATMP) would be exempted from BCD & SAD

Capital Goods

Exemption of BCD on specified capital goods and inputs used in manufacturing of Micro fuses, sub-miniature fuses, resettable fuses and thermal fuses. CVD would be exempted from capital goods/spare: raw materials, parts, material handling equipment and consumable for repairs of ocean-going vessels by a ship repair unit

Medical Equipment's

All type of duties will be exempted from disposable sterilized dialyzer and micro barrier of artificial kidney. Exemption of BCD from Medical Use Fission Molybdenum-99 imported by Board of Radiation and Isotope Technology (BRIT) for manufacture of radio pharmaceuticals

Digital Electronics

All duties exempted from parts and components, subparts for manufacture of routers, broadband Modems, Set-top boxes for gaining access to internet, set top boxes for TV, digital video recorder (DVR) / network video recorder (NVR), CCTV camera / IP camera, lithium ion battery, other than those for mobile handsets.

(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

GROWTH DRIVERS OF ELECTRONICS INDUSTRY

- Increase in discretionary income and credit availability has boosted demand for consumer durables
- The government is one of the biggest consumers of the sector and leads the corporate spend on electronics; this is not surprising given that electronics facilitates e-governance, developmental schemes and initiatives launched by the government
- Strong demand and favourable investment climate in the sector are attracting investments in R&D as well as manufacturing.
- Increasing demand for defence equipment's has boosted the production of electronics goods up to a considerable level
- Electronic Manufacturing Services and R&D based exports also drives the market. The increased value – addition would further increase the demand for sales, production, after – sales support and services. This would trigger the demand for skilled human resources in the country
- Rapid urbanisation have unravelled new markets for consumer goods; easy financing options have made consumer goods affordable

(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

MULTIPLE FACTORS FAVOUR INVESTMENT IN ELECTRONICS

Growing customer base

Market for electronics is expected to expand at a CAGR of 66.1per cent during 2015–20. The demand for electronics hardware in India is projected to increase to USD139 billion by 2018

Incentives and concessions under schemes

Export Oriented Unit (EOU) Scheme, Electronics Hardware Technology Park (EHTP) Scheme, Software Technology Park (STP) Scheme and EOU/EHTP/STP Schemes

Targeted reduction in import bill

Domestic electronic production accounts for around 45.0 per cent of the total market demand. Therefore, in order to reduce the import bill, the government plans to boost the domestic manufacturing capabilities and is considering a proposal to give preference to Indian electronic products in its purchases

Increasing penetration in the consumer durables segment

Consumer durables market in India is characterised by low penetration in various product segments, viz. 1.0 per cent in microwaves, 3.0 per cent in ACs, 16.0 per cent in washing machines, 18.0 per cent in refrigerators, etc. Higher disposable incomes are leading to realisation of penetration potential in various product segments, especially in rural areas

Policy and investment support

To compliment the targeted reduction in import bill, the government has proposed a minimum investment of USD555.0 million for semiconductor manufacturing plants and USD222.0 million for ecosystem units. This is considered a major step toward attracting foreign companies to set up manufacturing facilities in India. In Union Budget 2016 – 17, inputs, parts, components & subparts for manufacturing of charger/adapter, battery & wired handsets/speakers of mobile phones are fully exempted from Basic Customs Duty (BCD), Counter Veiling Duty (CVD) and Special Additional Duty (SAD)

(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

ADVANTAGE INDIA

Growing demand

Demand from households is set to accelerate given rising disposable incomes, changing lifestyles, and easier access to credit. Government and corporate spending will also contribute to growth in demand

Attractive opportunities

The electronics market is expected to expand at a CAGR of 41.4 per cent during 2016–20. Intended reduction in government's import bill is likely to boost domestic electronics manufacturers.

Higher Investments

Sector has attracted strong investments in the form of M&As and other FDI inflows. Companies are set to augment investments in production, distribution and R&D in the next few years. Government has received investment proposals for USD17.5 million for which they intend to provide incentives under M-SIPS scheme. Applications received before July, 2020 will be considered.

Policy support

100 per cent FDI allowed in the electronics hardware manufacturing sector under the automatic route. Initiatives like Modified Special Incentive Package Scheme (M-SIPS) will provide a capex subsidy of 20 – 25 per cent. As per Make in India Initiative, Electronic Development Fund Policy has been approved which would rationalise an inverted duty structure.

(Source: Indian Electronics Industry January 2017 India Brand Equity Foundation, www.ibef.org)

INDIAN SERVICE SECTOR

Introduction

The services sector is not only the dominant sector in India's GDP, but has also attracted significant foreign investment flows, contributed significantly to exports as well as provided large-scale employment. India's services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real

estate, business services, community, social and personal services, and services associated with construction.

Market Size

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

According to a report by leading research firm Market Research Store, the Indian telecommunication services market is expected to grow by 10.3 per cent year-on-year to reach US\$ 103.9 billion by 2020. The Indian digital classifieds industry is expected to grow three-fold to reach US\$ 1.2 billion by 2020, driven by growth in horizontal classifieds like online services, real estate and automobiles.[#]

Out of overall services sector, the sub-sector comprising financial services, real estate and professional services contributed US\$ 305.8 billion or 20.5 per cent to the GDP. The sub-sector of community, social and personal services contributed US\$ 188.2 billion or 12.6 per cent to the GDP.

Investments

The Indian services sector has attracted the highest amount of FDI equity inflows in the period April 2000-March 2016, amounting to about US\$ 50.79 billion which is about 17.6 per cent of the total foreign inflows, according to the Department of Industrial Policy and Promotion (DIPP).

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

- Gadgetwood, an on-demand repair services & refurbishment company, has raised US\$ 6 million from private equity fund Carpediem Capital, which will be used for expanding its presence to other geographies, starting with the metros and moving to set up a presence across 10 cities by 2017, and broaden the scope of its repairs capabilities to include, laptops, wearable tech and LEDTVs.
- Online food ordering and delivery service firm Swiggy, owned by Bundl Technologies Private Limited, has raised US\$ 15 million in a fresh funding round led by Bessemer Venture Partners along with existing investors SAIF Partners, Norwest Venture Partners, Accel Partners, and Apoletto Asia.
- Factset, a US-based financial data and analytics firm, plans set up its largest global office at Divyasree Orion Special Economic Zone (SEZ) in Gachibowli, Hyderabad.
- LogixHealth Private Limited, a wholly-owned subsidiary of LogixHealthInc, USA, plans to invest around US\$ 15 million and hire 1,000 people for its upcoming facility in Coimbatore.
- Meru Cab Company Pvt Ltd, the Mumbai-based radio cab service, has raised Rs 150 crore (US\$ 22.37 million) from Brand Capital, the investment arm of Bennett Coleman and Co, which will be used to fund advertising and provide user incentives including discounts and loyalty schemes.
- SSG Capital Management Group, a Hong Kong based Private Equity (PE) investor, has acquired a 40 per cent stake in the logistics company Future Supply Chain Solutions (FSC), for Rs 580 crore (US\$ 86.5 million) from existing shareholders including Future Retail (FRL) and Fung Group, promoted by billionaire Victor Fung.
- Vistra Group Ltd, a Hong Kong-based professional services provider, has acquired IL&FS Trust Company Ltd, India's largest independent corporate trust services provider, which will enable Vistra to expand the platform to provide a broader suite of corporate and fiduciary services and thereby gain a foothold in the Indian corporate services market.
- Pink Blue Supply Solutions Pvt. Ltd, a clinical supplies provider, has raised Rs 1.5 crore (US\$ 0.22 million) in a seed round of funding from TermSheet.io, a transaction-focused service provider for start-ups and investors, which will be used to ramp up technology, improve customer experience and operational capabilities, put in place smart supply chain management across hospitals and clinics, and hire larger teams.

- IcertisInc, a contract management software maker for enterprises based out of Pune and Mumbai in India, has raised US\$ 15 million in series B round of funding from Ignition Partners and Eight Roads Ventures, which will be used to invest in marketing and expand its global operations.
- Of Business, an online marketplace for business-to-business (B2B) commerce, has raised US\$ 5 million in series A funding round led by Matrix Partners India, which will be used to expand the team and build a technology platform for small and medium enterprises (SMEs).
- Credit Analysis and Research (CARE Ratings) has signed Memorandum of Understanding (MoU) with Japan Credit Rating Agency, Ltd (JCR) to collaborate with each other as strategic business partners.
- Shuttl, an Indian bus aggregator platform headquartered in Gurgaon, has raised US\$ 20 million in Series A funding from Lightspeed, Sequoia India and Times Internet Ltd.
- Indian logistics platform Rivigo has raised US\$ 30 million in debt and equity in Series B financing round, led by SAIF Partners. The firm aims to use the raised funds to achieve its target of scaling 10 times in the next 12 months.
- Taxi service aggregator Ola plans to double operations to 200 cities in current fiscal year. The company, which is looking at small towns for growth, also plans to invest in driver eco-system, such as training centers and technology upgrade, besides adding 1,500 to 2,000 women drivers as part of its pink cab service by women for women.

Government Initiatives

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

Prime Minister Narendra Modi has stated that India's priority will be to work towards trade facilitation agreement (TFA) for services, which is expected to help in the smooth movement of professionals. The Government of India has adopted a few initiatives in the recent past. Some of these are as follows:

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

Road Ahead

Services sector growth is governed by both domestic and global factors. The sector is expected to perform well in FY16. The Indian facilities management market is expected to grow at 17 per cent CAGR between 2015 and 2020 and surpass the \$19 billion mark supported by booming real estate, retail, and hospitality sectors. The performance of trade, hotels and restaurants, and transport, storage and communication sectors are expected to improve in FY17. Loss of growth momentum in commodity-producing sectors had adversely impacted transport and storage sectors over the past two years. The financing, insurance, real estate, and business services sectors are also expected to continue their good run in FY17. The growth performance of the community, social and personal services sector is directly linked with government expenditure and we believe that the government will remain committed to fiscal consolidation in FY16.

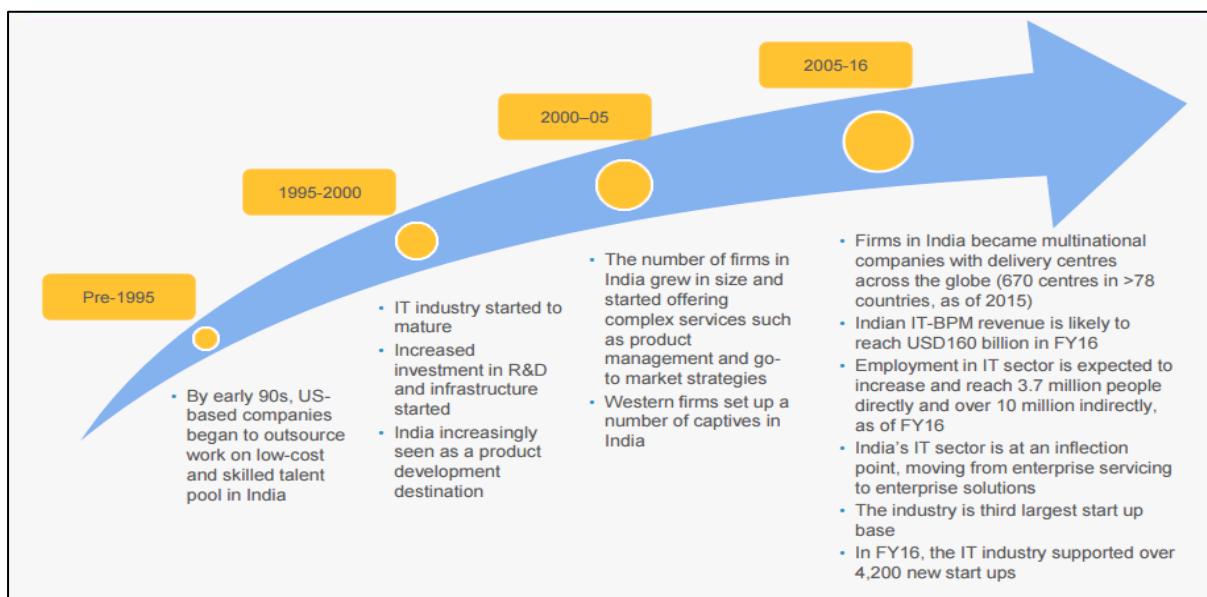
Exchange Rate Used: INR 1 = US\$ 0.0149 as on September 21, 2016

References: Media Reports, Press Releases, DIPP publication, Press Information Bureau, India budget 2015-16

Note -!- The Economic Survey 2015-16; # - according to a report by Google India and KPMG

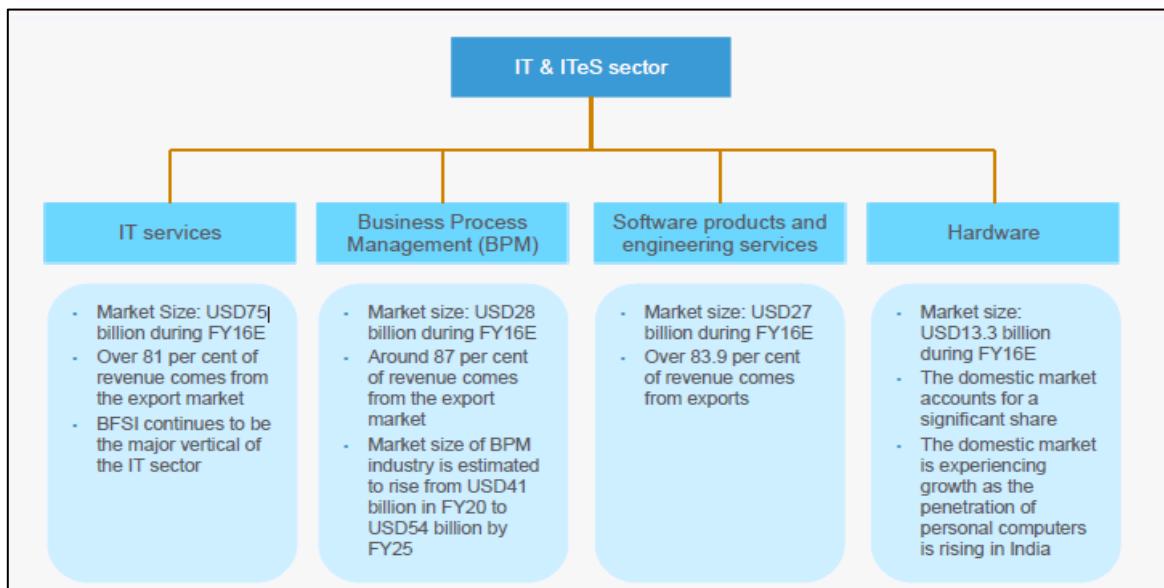
(Source: Service Sector in India - India Brand Equity Foundation www.ibef.org)

EVALUATION OF INDIA'S IT SECTOR



(Source: IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org)

SEGMENTS OF INDIA'S IT SECTOR



(Source: *IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org*)

INDIAN INFORMATION TECHNOLOGY INDUSTRY

Introduction

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.

The IT-BPM sector which is currently valued at US\$ 143 billion is expected to grow at a Compound Annual Growth Rate (CAGR) of 8.3 per cent year-on-year to US\$ 143 billion for 2015-16. The sector is expected to contribute 9.5 per cent of India's Gross Domestic Product (GDP) and more than 45 per cent in total services export in 2015-16.

Market Size

The Indian IT sector is expected to grow at a rate of 12-14 per cent for FY2016-17 in constant currency terms. The sector is also expected triple its current annual revenue to reach US\$ 350 billion by FY 2025#.

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

India's internet economy is expected to touch Rs 10 trillion (US\$ 146.72 billion) by 2018, accounting for 5 per cent of the country's GDP###. India's internet user base reached over 400 million by May 2016, the third largest in the world, while the number of social media users grew to 143 million by April 2015 and smartphones grew to 160 million.

Public cloud services revenue in India is expected to reach US\$ 1.26 billion in 2016, growing by 30.4 per cent year-on-year (y-o-y)[^]. The public cloud market alone in the country was estimated to treble to US\$ 1.9 billion by 2018 from US\$ 638 million in 2014[^]. Increased penetration of internet (including in rural areas) and rapid emergence of e-commerce are the main drivers for continued growth of data centre co-location and hosting market in India. The Indian Healthcare Information Technology (IT) market is valued at US\$ 1 billion currently and is expected to grow 1.5 times by 2020^{^^}. India's business to business (B2B) e-commerce market is expected to reach US\$ 700 billion by 2020 whereas the business to consumer (B2C) e-commerce market is expected to reach US\$ 102 billion by 2020^{^^^}.

Investment

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. Most large technology companies looking to expand have so far focused primarily on bigger enterprises, but a report from market research firm Zinnov highlighted that the small and medium businesses will present a lucrative opportunity worth US\$ 11.6 billion in 2015, which is expected to grow to US\$ 25.8 billion in 2020. Moreover, India has nearly 51 million such businesses of which 12 million have a high degree of technology influence and are looking to adopt newer IT products, as per the report.

Some of the major developments in the Indian IT and ITeS sector are as follows:

- Druva Incorporation, a data protection firm, has received US\$ 51 million in a funding round led by its existing investor Sequoia Capital India along with new investor EDBI which is the investment arm of the Singapore Economic Development Board (EDB).
- Google, the American technology giant, has launched a new Wi-Fi platform called Google station, under which the company will install Wi-Fi hot spots in places frequented by a large number of people like malls, cafes, universities.
- Reliance Industries Ltd (RIL) plans to set up entrepreneurship hubs in key cities and towns, and an Rs 5,000 crore (US\$ 748 million) fund, under the name of Jio Digital India Startup Fund, to invest in technology based startups.
- Gurgaon-based digital wallet start-up MobiKwik, which is owned and operated by One MobiKwik Systems Private Limited, has raised US\$ 40 million from Nasdaq-listed firm Net1, a South African payments technology company.
- Orange Business Services, the business services arm of Orange Group, has launched a state data centre for Himachal Pradesh government, which will be the first data centre in India to be designed using 'green' data centre concepts that minimise power requirements and increase power utilisation efficiency.
- PurpleTalk Inc, a US based mobile solutions company, has invested US\$ 1 million in Nukkad Shops, a Hyderabad based uber-local commerce platform that helps neighbourhood retail stores take their businesses online through a mobile app.
- Kart Rocket, a Delhi based e-commerce enabler has completed its US\$ 8 million funding round by raising US\$ 2 million from a Japanese investor, which will be used to enhance Kraftly, a mobile-first online-to-offline marketplace targeting small sellers, individuals and home-based entrepreneurs in India in product categories such as apparel and accessories.

Government Initiatives

Some of the major initiatives taken by the government to promote IT and ITeS sector in India are as follows:

- Mr Ravi Shankar Prasad, Minister of Communication and Information Technology, announced plan to increase the number of common service centres or e-Seva centres to 250,000 from 150,000

currently to enable village level entrepreneurs to interact with national experts for guidance, besides serving as a e-services distribution point.

- The Government of Telangana has signed an agreement with network solutions giant Cisco Systems Incorporation, to cooperate on a host of technology initiatives, including Smart Cities, Internet of Things, cyber security, education digitisation of monuments.
- The Railway Ministry plans to give a digital push to the India Railways by introducing bar-coded tickets, Global Positioning System (GPS) based information systems inside coaches, integration of all facilities dealing with ticketing issues, Wi-Fi facilities at the stations, super-fast long-route train service for unreserved passengers among other developments, which will help to increase the passenger traffic.
- The Pune Smart City Development Corporation (PSCDCL) has signed a memorandum of understanding (MOU) with the European Business and Technology Centre (EBTC), which will allow it to gain access to real-time knowledge of technologies, solutions and best practices from Europe.
- The e-Tourist Visa (e-TV) scheme has been extended to 37 more countries thereby taking the total count of countries under the scheme to 150 countries.
- Department of Electronics & Information Technology and M/s Canbank Venture Capital Fund Ltd plan to launch an Electronics Development Fund (EDF), which will be a 'Fund of Funds' to invest in 'Daughter Funds' which would provide risk capital to companies developing new technologies in the area of electronics, nano-electronics and Information Technology (IT).
- The Human Resource Development (HRD) Ministry has entered into a partnership with private companies, including Tata Motors Ltd, Tata Consultancy Services Ltd and real-estate firm Hubtown Ltd, to open three Indian Institutes of Information Technology (IIITs), through public-private partnership (PPP), at Nagpur, Ranchi and Pune.
- Government of India is planning to develop five incubation centres for 'Internet of Things' (IoT) start-ups, as a part of Prime Minister Mr Narendra Modi's Digital India and Startup India campaign, with at least two centres to be set up in rural areas to develop solutions for smart agriculture.

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: *IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org*)

NOTABLE TRENDS IN INDIA'S IT & ITES SECTOR

- **Global delivery model**

Indian software product industry is expected to reach the mark of USD100 billion by 2025. In India, the number of global delivery centres in the IT-BPM sector reached 670, spreading out across 78 countries, as of 2015. New business models, technologies and addition of new markets is pushing growth; Infosys has opened a shop in Shanghai; TCS already has a big set-up in Uruguay

- **Global sourcing hub**

India continues to maintain a leading position in the global sourcing market. Its market share increased to 55 per cent in 2015. India's IT industry amounts to 7 per cent of the global market

- **Engineering offshoring**

In 2015, India continued to be the most preferred location for global R&D outsourcing, with a share of 56 per cent

The sector includes 670 Offshore Development Centres (ODCs) around 78 countries

- **Most lucrative sector for investments**

Increased focus on R&D by IT firms in India resulted in rising number of patents filed by them. In 2016, Indian IT-BPM sector is expected to grow 9.2 per cent since last year and reach USD160 billion

- **Changing business dynamics**

India's IT market is experiencing a significant shift from a few large-size deals to multiple small-size ones. The number of start-ups in technology is expected to reach 50,000, adding to around 2 per cent of GDP. Delivery models are being altered, as the business is moving to capital expenditure (capex) based models from operational expenditure (opex), from a vendor's frame of reference

- **New technologies**

Disruptive technologies, such as cloud computing, social media and data analytics, are offering new avenues of growth across verticals for IT companies. The SMAC (social, mobility, analytics, cloud) market is expected to grow to USD225 billion by 2020

- **Growth in non-linear models**

India's IT sector is gradually moving from linear models (rising headcount to increase revenue) to non-linear ones. In line with this, IT companies in India are focusing on new models such as platform-based BPM services and creation of intellectual property

- **Consumerisation of IT**

Global outsourcing is being used to drive fundamental re-engineering of end-to-end processes. There is increased emphasis on beyond cost benefits. IT firms in the current phase have moved up the value chain, providing innovation-led growth to clients from SLA satisfaction and RoI calculations

- **Emergence of Tier II cities**

Tier II and III cities are increasingly gaining traction among IT companies, aiming to establish business in India. Cheap labour, affordable real estate, favourable government regulations, tax breaks and SEZ schemes facilitating their emergence as a new IT destination. Giving rise to the domestic hub and spoke model, with Tier I cities acting as hubs and Tier. II, III and IV as network of spokes

- **SMAC technologies, an inflection point for Indian IT**

Social, Mobility, Analytics and Cloud (SMAC), a paradigm shift in IT-BPM approaches experienced until now, is leading to digitisation of the entire business model

- **Rural Development**

The National Optical Fibre Network (NOFN) is being laid down in phases to connect all the 250,000 gram Panchayat in the country

(Source: *IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org*)

GROWTH DRIVERS

Talent Pool

6 million graduates are estimated to have been added to India's talent pool in FY16, wherein, ITBPM employees are estimated to reach 3.7 million. There is strong mix of young and experienced professionals.

Global Demand

Global BPM spending estimated to rise by 4.4% and reach USD2.7 billion in 2015. Global IT services spending witnessed decline by almost 5.5 per cent, reaching USD3.5 trillion in 2015.

Policy Support

Tax holidays for STPI and SEZs. More liberal system for raising capital, seed money and ease of doing business. As a part of Union Budget 2016-17, the government has made changes in custom & excise duty of IT hardware products.

Infrastructure

Robust IT infrastructure across various cities in India such as Bengaluru. Technology mission for services in villages and schools, training in IT skills and E-Kranti for government service delivery and governance scheme.

Domestic growth

Computer penetration expected to increase. Increasing adoption of technology and telecom by consumers and focused government initiatives leading to increased ICT adoption.

(Source: *IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org*)

TECHNOLOGY – A KEY INFLUENCER FOR DOMESTIC IT INDUSTRY

Indian IT companies like TCS, Tech Mahindra Limited, IT Sector Segmental Breakup - By Companies (FY15) Mphasis, HCL Technologies Limited, Larsen & Tourbo Infotech Limited, Wipro Technologies Limited, Oracle Financial, Infosys Technologies Limited are expanding their footprint in order to meet client's requirements globally Indian Firms have started adopting the global delivery model to cater to the local market and for taking advantage of low cost.

Introduction of large e-Governance projects to provide better services through IT and focus on the formation of the cyber policy led to higher demand for IT and hardware from the government. The Central Government and State/UT Government allocated 0.9–1.2 per cent and 2.8–3 per cent, respectively, of total budget for IT spend under the 12th Five Year Plan.

Strong consumer demand for IT service and products:

- Advent of smartphones, tablets and iPads
- Industry leaders are stressing the need for promoting support start-ups
- Rising computer literate population
- Enhanced internet and mobile penetration
- Growing disposable income strengthening consumer purchasing power
- Emerging verticals (retail, healthcare, utilities) are driving growth above 14 per cent

(Source: *IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org*)

EXPORTS TO REMAIN ROBUST AS GLOBAL IT INDUSTRY MAINTAINS GROWTH

In FY16 the estimated revenue from exports of IT and BPM sector was USD108 billion. Global IT-BPM spending (excluding hardware) has grown 0.4 per cent over 2015 to nearly USD1.2 trillion. India's IT industry amounts to 4.26 per cent of the global market, largely due to exports as of 2015. In the year 2015 India comprised of around 500 BPM players generating revenue of USD23 billion, which is expected to rise and reach 50 billion in 2020.

During FY17 the country's revenue growth in IT exports is expected at 10 per cent. Emergence of SMAC would provide USD1 trillion market by 2020. Emerging economies are likely to be a major contributor to IT spend growth including IT spend in emerging economies to grow 3-4 times faster than advanced economies and the BRIC IT market is estimated at USD380 – 420 billion by 2020. Stable tax regime, reducing litigation related to tax and providing conducive environment for start-ups will improve the business environment.

(Source: *IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org*)

OPPORTUNITIES IN THE IT INDUSTRY

New geographies

BRIC nations, continental Europe, Canada and Japan have IT spending of approximately USD380–420 billion. Adoption of technology and outsourcing is expected to make Asia the second largest IT market.

New customer segments

SMBs have IT spend of approximately USD230–250 billion, but contribute just 25 per cent to India's IT revenue. The emergence of new service offerings and business models would aid in tapping market profitably and efficiently.

New verticals

Government, healthcare, media and utilities together have IT spend of approximately USD190 billion, but account just 8 per cent of India's IT revenue. There is non-linear growth due to platforms, products and automation. Emerging verticals (retail, healthcare, utilities) are driving growth.

(Source: *IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org*)

ADVANTAGE INDIA

Growing demand

There is a strong growth in demand for exports from new verticals. Rapidly growing urban infrastructure has fostered several IT centres in the country. There is expanding economy to propel growth in local demand.

Global footprints

IT firms in India have delivery centres across the world; as of 2015, IT firms had a total of 670 centres in 78 countries. India's IT industry amounts to 12.3 per cent of the global market, largely due to exports. IT & ITeS industry is well diversified across verticals such as BFSI, telecom and retail.

Competitive advantage

Cost savings of 60–70 per cent over source countries. A preferred destination for IT & ITeS in the world; continues to be a leader in the global sourcing industry with 55 per cent market share. The Indian IT industry has saved clients USD200 Billion in the past five years.

Policy support

Tax holidays extended to the IT sector. More liberal system for raising global capital, funding for seed capital & growth, and ease of doing business, etc. have been addressed. USD0.17 billion have been allocated for raising global capital, start ups. Income Tax cut on royalty fee on tech services to 10 per cent. Cumulative FDI inflow in computer software & hardware is USD21,018 million from April 2000 to March 2016

FY16E Industry value: USD160 billion

FY25F Industry value: USD350 billion

(Source: *IT and ITeS Report November 2016 - India Brand Equity Foundation www.ibef.org*)

OUR BUSINESS

Incorporated in March, 2007, our Company “Panache Digilife Limited” is engaged in Information and Communication Technology manufacturing, distribution and services. Our Company came into existence, with a goal to become a market leader in ‘white box’ segment (unbranded – assembled/ customized based computer systems) by maintaining low cost of production. Our Company started by acquiring the business of M/s. Vardhaman Computers, a proprietary concern of Mr. Nikit Rambhia, as a going concern through a Business Assignment Agreement dated April 5, 2007. Over the years we have ventured into distribution of components and at present we are able to provide a varied range of IT infrastructure products and embedded solutions. The registered office of our Company is situated at Mumbai and our manufacturing facility is situated at Daman.

Our Company is promoted by Amit Rambhia and Nikit Rambhia, who have more than a decade of experience in information technology sector. With experience, backed by educational qualifications, it is the vision and dedication of our Promoters which has paved the growth path of our Company. Our Promoters believes in the ideology of continuous improvement and developing innovation and it is their vision to make our Company a world class, competitive IT hardware manufacturing, distributing and service provider with a global recognition.

We are a turnkey manufacturer with the ability to bring customer’s original concept and ideas into series production. We work with individual and Companies at all stages of design and manufacture, from the stage of conceptualisation to the point of completion, with such efforts so as to bring industry and commercial level products and services to consumers. We are a customer oriented solution provider Company with our offerings ranging across diverse hardware and embedded solutions.

We are also an ISO 9001:2008 certified Company and have a diverse product basket comprising of thin clients, point of sales, digital signage, education solutions, healthcare embedded – PC, ATM Kiosk, etc. Recently we have also added GPS Tracking Solutions and televisions to our product portfolio. The revenue from operations of the company for the financial year 2015-2016 was Rs. 4914.07 lakhs as compared to Rs. 2,303.06 lakhs for the financial year 2011-12 showing an increase of 113.37%. Our product wise revenue for FY 15 -16 is as follows OEM products: Rs. 2011.25 lakhs, Air PC : Rs. 317.35 lakhs, Computer Systems : Rs. 2055.24 lakhs, IT Peripherals :Rs. 505.19 lakhs, GPS Units : Rs.25.04 lakhs. Our business model is primarily a B2B model wherein we sell goods to parties who sells them to end users. Since we have such a diverse product offering, our end users also belong to different industrial sectors. In our operating history of around a decade, we have had clienteles from banks to educational institutions to retail supermarkets to hotels to well known corporate houses. Our manufacturing facility is situated at Daman and spread over more than 6,000 sq. ft. We have quality management processes and semi automated assembly line in place to ensure speedy and consistent delivery of products to the B2B Market. According to customer requirements, operating systems and software packages are loaded using automated software loading facilities. We generally provide one year warranty for our standard range of products. We also provide additional warranty packs at additional costs.

Our Company at present caters to both domestic and international markets. We have customers based out of Dubai, Iran, Riyadh, Sri Lanka, etc. To expand our operations, we have recently incorporated a subsidiary in Dubai which shall aid us in B2B e-commerce market place. We are also Local Device Partner (L-OEM or Named Partner) for Microsoft and also have a Microsoft License Agreement. We are authorized to procure Windows, Server & Office Licenses directly from Microsoft. We can sell our devices under the brand Name “Panache” with Windows OS, Windows Server & Office Licenses preloaded. We have been promoting brand Panache products since 2008 and are eligible to use “Panache” for our product range under the brand usage agreement dated October 4, 2016 with Rambhia IPR Services LLP for a period of three years.

Our Company aims to provide cost effective electronics manufacturing solutions available while adhering to the high standards of the service, delivery and quality. The company strives to establish strong relationships with clients and collaborate with them to drill down on the best manufacturing solution.

Our select credentials:

- ISO 9001:2008 Company
- Microsoft OEM Named Account
- Permanent SSI Registered & MSME Registered

Our few awards and recognitions:

- “Best System Builder” award in 2010, 2011, 2012 & 2013 by CRN
- “Intel Embedded Hero” award in 2012
- “SME National Award for Excellence” in IT 2012 by Bangalore Institute of Technology at Astra 2012
- “Edge Innovation award” in 2014 by Information Week, UBM

OUR PRODUCTS

Sr . N o	Product	Product Name	Description	Range
1.		<u>Thin Client</u>	A thin client is a network computer without a user writable long term storage device. Thin client computing is a server-centric computing model in which the application software, data and CPU power resides on a network server rather than on client Computer.	Processor: Intel Atom & Celeron RAM: 1/ 2/ 4GB Storage: 1-32GB OS: Linux & Windows Embedded
2.		<u>Point of Sale</u>	Point of sale (POS) also referred as point of service can mean a retail shop, a checkout counter in a shop, or the location where a transaction occurs. Point of sale system are used in supermarkets, restaurants, hotels, stadiums, and casinos, as well as almost any type of retail establishment.	Processor: Intel Atom, Celeron, Dual Core, Core i3 Series RAM: 2 / 4 / 8GB Storage: 1-32GB OS: Windows Embedded, Windows 10, Windows 7 POS Ready
3.		<u>Mini PC:</u>	Mini PC's are housed in smaller cases than typical desktop computers. It generally excludes rack-mount cases, blade servers, and industrial computers, which are designed for data	Processor: Intel Atom, Celeron, Dual Core, Core i3 / i5 / i7 Series RAM: 2/ 4/ 8 / 16GB Storage: 32-4TB GB

Sr . N o	Product	Product Name	Description	Range
			centres and factory use, rather than home and office environment.	OS: Windows 10
4.		<u>Flash Disk</u>	A USB flash drive, also variously known as a USB drive, USB stick, thumb drive, pen drive, flash-disk, or USB memory, is a data storage device that includes flash memory with an integrated USB interface .	DOM (SLC / MLC): 2GB – 16GB SSD: 32GB – 1TB mSATA: 32 / 64 / 128GB CF (Industrial – Extended Temp.): 4GB – 128GB
5.		<u>Air PC</u>	Ultra slim, portable and fits in one's palm, pocket-sized PC with window 10 to revolutionize the way one works and play, plugs into any LCD/LED Monitor, Television or projector with an HDMI port	Processor: Intel Z3735 RAM: 2GB Storage: 32GB Built-in Wi-Fi, Bluetooth 4.0 OS: Windows 10
6.		<u>Nano PC's</u>	Ultra slim and Dual Display portable device that fits anywhere with window 10 to revolutionize the way one works and play, connect into any LCD/LED Monitor, Television or projector with an HDMI port	Processor: Intel Z8350 RAM: 2GB / 4GB Storage: 32 / 64 / 128 GB Built-in Wi-Fi, Bluetooth 4.0 OS: Windows 10
7.		<u>Tablets</u>	Panache Tablet integrated on 10.1" screen and Intel architecture supports capacitive multi touch, and Android operating system. With 1Gb RAM and 16GB built-in storage has room for an additional storage. Other features include front and rear camera, mini HDMI port, Micro USB slots and G-Sensor.	Processor: Intel Z2520 RAM: 1GB Storage: 16GB OS: Android Jellybean 4.2

Sr . N o	Product	Product Name	Description	Range
8.		<u>Panel PC</u>	Panache Panel PC provides trader voice solutions that meet the needs of demanding professional traders. They integrate enterprise telephony systems and provide a range of functions. Panache Panel PC are mostly used in trading environments including: broking, buy-side, sell-side, energy, commodities, bond trading and hedge-funds.	Processor: Intel Atom N270, Intel Core 2 Duo T9400 RAM: 2GB Storage: 32GB CF OS: Windows XP
9.		<u>Tracking and GPS Solutions</u>	Panache Telematics Asset tracking offers a set of solutions that are designed to provide tracking, execution, management and monitoring of movable assets remotely. We provide GPS/GPRS based Solutions for Vehicle Tracking, BPO, Schools, Fleet Taxis, Personal Tracking, OBD solution to Garage and Vehicle Insurance Co. Logistics & Transportation.	GPS Receiver: 66 Channel GPS accuracy: 2.5 to 5 meters GSM/GPRS Module: 900/1800/850/1900 MHz Environment housing: IP 65 with external Speakerphone
10.		<u>LED TV</u>	Panache Range of LED Televisions is available in screen size varying from 60cm-139cm. Features include HD ready to full HD, X-Reality Picture Engine, Slim Edge and Smart Energy Saving.	61cm(24), 80cm(31.5), 98cm(38.5), 101cm(40), 139cm(55)

OUR RAW MATERIALS

Below is a list of major raw materials used in our manufacturing process:

Accessories	AIR PC	AV Display	Barebone
Cabinet	CPU	Flash Disk	GPS Tracker

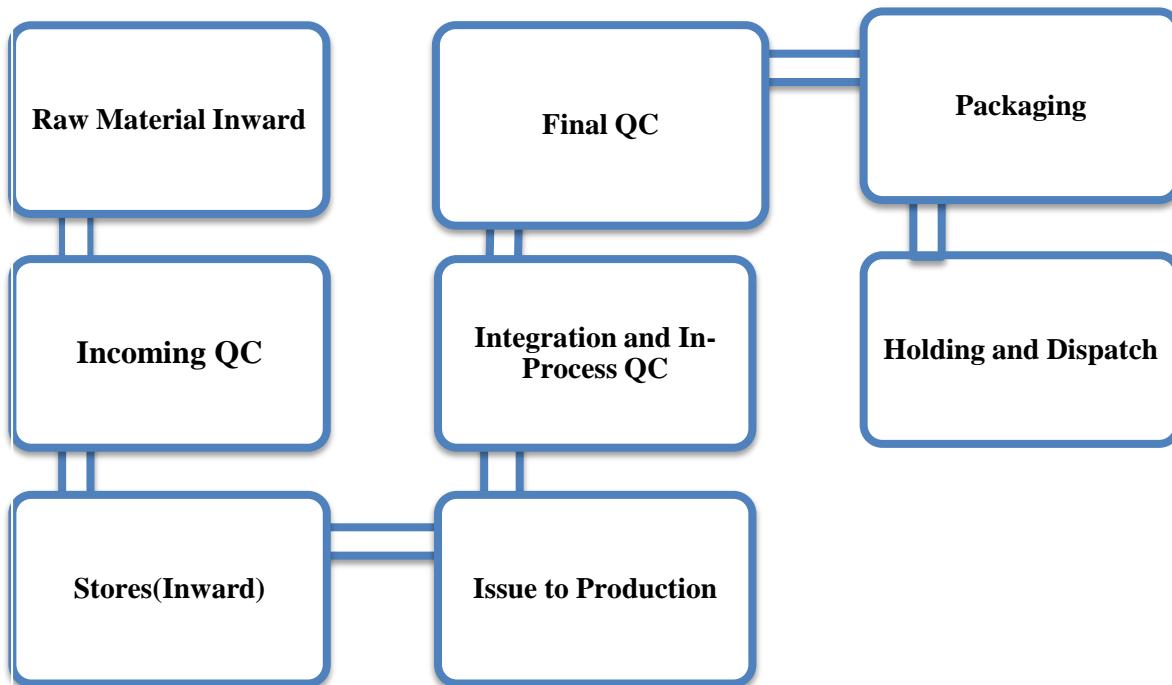
Micro PC	Projector	RAM	SPEAKERS
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OUR MAJOR PLANT & MACHINERY

Following is the list of major Plant & machineries at the manufacturing unit of the Company:

Sr. No.	Description/ Name of Machinery	Unit (In. Nos)
1.	Electro mechanical Screw Driver	40
2.	Box Strapping Machine	1
3.	Air Conditioners	6
4.	Carton Sealing Machine	1
5.	Shrink wrapping machine	1
6.	Environmental test chamber	1

OUR MANUFACTURING PROCESS



1. Raw material Inward:

We procure raw material from both domestic and international markets. The pre qualified products are received from approved suppliers. Such materials are physically inspected for tampering, box weight, etc. The invoices of such materials are then verified for type of product, quantity of product and rate of product. If the materials received are in proper condition, a good receipt note is prepared and the materials are sent to incoming QC department for further process. In case any shortcomings or deficiency is noted, the Purchase Head is informed about the same.

2. Incoming QC

It is the job of the IQC process to conduct inspections and handle quality issues before the assembly process starts. Our IQC process governs our quality systems during the assembly process in order to detect and handle any problems that may arise during assembly. Incoming QC conducts sample testing based on classification of products. On verification, if there are issues with the quality, the material is rejected and if found in proper condition, it is handed over to Stores.

3. Stores (Inward)

A process and a space within, to receive the incoming materials, keep them for as long as they are not required for use and then to move them out of stores for use. After receipt of materials from Incoming QC department, the goods are classified based on batches. These goods are then either stored in pre defined sections or issued to shop floor against work order for production purposes.

4. Issue To Production

A material issue request form is issued by production incharge to the Stores department for issuing the necessary material in the required quantities for production purpose. These raw materials are already barcoded by the stores incharge and all the barcodes are recorded.

5. Integration and In-Process QC

As per the clients requirement and specifications, all the raw materials are integrated to make the final products. These products are serially numbered and such serial numbers are captured for record purpose.

In-Process quality control allows the producer to follow all changes that occur during applied technological procedures. It gives the producer security that the finished products fulfils all quality requirements, most of all that the products should be safe. Depending upon the type of the product, In process QC is done by checking various parameters such as display, verifying memory count, hard disk capacity, etc. In case any shortcomings are noticed, the products are reworked. The serially numbered products with the manufacturing labels are sent for Final QC.

6. Final QC

Quality control (QC) is a procedure or set of procedures intended to ensure that a manufactured product or performed service adheres to a defined set of quality criteria or meets the requirements of the client or customer. Through the quality control process, the product quality will be maintained, and the manufacturing defects will be examined and refined.

Again depending upon the type of the product, different quality control procedures are undertaken. For eg. for PCs, visual inspection is done for fitment and scratches, burn test is conducted for 2 hours including operating system loading via network, along with drivers and softwares. Once the products passes through all quality tests, they are sent to the packaging department.

7. Packaging

Packing is the final step of manufacturing processing; the finished products are passed to packing section by conveyer belt. In general, Physical inspection is done for fitment and scratches, machine is cleaned. Branding is done, compliance and warranty seals are pasted. Accessory Box (if any) is packed, serial no. and MRP sticker is pasted on the box. The boxes are then covered with shrink wrap and strapping is done on the box. The machine is ready for dispatch.

8. Holding and Dispatch

The finished goods are then either stored or be readied for dispatch as per clients instruction. Necessary transportation arrangements are made for the dispatch. The tracking details and product serial nos. are shared with the customers.

OUR COMPETITIVE STRENGTHS



1. Experienced management team and dedicated employee base

Our management team is led by Amit Rambhia and Nikit Rambhia who looks after the overall management of the Company and have an experience of more than a decade in the field of Information and Communication Technology manufacturing, distribution and services. Our management has developed cordial relationships with suppliers and customers and has woven clientele network for us over the years. The vision and dedication of our management team lays down the principles of our growth. Additionally our top level executives are well verse with the industry and the business undertaken by our Company. Our Company imparts on time to time basis training to improve the skills of the employees. We strongly believe that the success of our organization lies in the efforts of our human resources.

2. Wide product range

We offer a wide range of IT hardware and embedded solutions with our products ranging from thin clients, point of sales, digital signage, education solutions, healthcare embedded – PC, ATM Kiosk, etc. Our Company believes in providing customer specific solutions and possess the technical expertise and resources to design and manufacture products to serve customers requirements. Further we have recently diversified our product basket with addition of products



such as GPS tracking solutions and televisions to capture a different sector of target customers and enhance our business prospects.

3. Keeping up pace with changing technology trends

The only way to sustain in information technology industry is to keep innovating, reinventing and keeping up pace with changing technology trends. We have been able to deliver products as per the industry trends and introducing products as per latest technology. Our Company constantly endeavours to develop, design and manufacture products keeping in mind the technological requirements of the customers. Technology up-gradation is an important aspect which a company like ours always ensures not only for survival in the competitive market but also be the best at what we do.

4. Quality products

Our Company is an ISO certified Company and strives to maintain highest level of qualitative standards amongst our products. We conduct quality control tests right from receipt of raw material upto dispatch of finished products. We are highly conscious about our brand image and focus on delivering qualitative products.

5. Wide Customer Base

With our product offerings, our products find application across a large number of industries. Though ours is primarily a B2B business model, our products find application across diverse industrial sectors such as retail, banking and finance, educational institutions, hospitality, transportation, corporate houses, healthcare etc. Further with introduction of television in our product range, we target to capture retail sector as our prospect clients as well. We believe that with a wide product offerings and diverse mix of end markets, we have been enabled to build a sustainable business model over the years.

OUR BUSINESS STRATEGY

Our Company always strives to follow the principal strategies laid down by the management to leverage our competitive strengths and grow our business:

1. Developing markets for our television and GPS tracking solutions

We have recently diversified our product basket with introduction of televisions and GPS tracking solutions. We are in the process of developing markets and loyal consumer base for such products. For our television, we intend to target rural and semi urban areas and in case of GPS tracking solutions, we are targeting transportation companies and educational institutions such as schools using bus services, etc. It is our strategy to penetrate a niche market for our such products and expand our business operations thereon.

2. Expand our overseas operations

We have recently incorporated a subsidiary in Dubai with a view to aid us in B2B e-commerce market place and to enable us to trade between India – Middle East – Africa zones of commodities and products. We intend grow our operations in Middle East and African countries, as we believe by 2020 Middle East will be supply chain hub for world

3. Focus on Research and Development

It is our Company's continuous endeavour to design, innovate and reinvent products. We shall continue to focus on innovating new products and giving shape to new ideas. We are in the process of launching our new creation i.e. a digital pen which is a result of our one of the R&D efforts. To have a competitive edge over the competitors and a vision to provide the customer with the best possible solutions, we shall continue to focus on our R&D activities.

4. Enhancing our brand image

At present we mainly market our products under the brand name “Panache”. Developing our brand image is quite essential to market our products like Air PC, Nano PC's, Televisions, and Telematics solutions. We would continue to associate ourselves with good quality customers and

execute projects to their utmost satisfaction. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers. We also indulge into social media campaigns, exhibition participations (India & Globally), press releases / articles.

5. Capitalise on growing technological demand and increasing digital awareness

As IT is increasingly gaining traction in SMB's business activities, the sector offers impressive growth opportunities and is estimated at approximately USD230–250 billion by 2020. Govt. sectors have a huge potential for IT enabled services, as IT penetration is low in the sector. Increasing digitalisation will lead to growth in revenues for IT sector in coming years. [Source: www.ibef.org]. We intend to capitalise on growing technological demand and increasing digital awareness.

6. Growing our existing client relationships

Our Company is customer satisfaction oriented company and always strives to maintain good relationship with the customers. We believe that there are significant opportunities for additional growth within our existing client base. We intend to leverage our domain expertise, understanding of our target industry and close relationship with our clients to expand the scope of current services as well as provide services in new areas and businesses.

SWOT ANALYSIS:

Strengths <ul style="list-style-type: none"> • Experienced Management • Wide Range of Products • Innovative Products • Design and R&D Capabilities 	Opportunities <ul style="list-style-type: none"> • Introduction of GST • Introduction of new range of Products • Increasing digital awareness
Weakness <ul style="list-style-type: none"> • Limited brand recognition • High product turnaround time 	Threats <ul style="list-style-type: none"> • Competition from organised and unorganised players • Minimal entry barriers

COLLABORATIONS/ TIE UPS/ JOINT VENTURES

As on date of this Red Herring Prospectus, our Company has not entered into any collaboration / Tie Ups / Joint Ventures.

COMPETITION

Information and communication technology manufacturing, distribution and services being a vast and global industry, we face competition from various domestic and international players. There are also many unorganized and fragmented, small and medium-sized companies and entities. Among listed companies, we face competition from Cerebra Integrated Technologies Limited and other huge global players.

END USERS

We serve a diverse mix of end markets with our products finding application across varied industrial sectors ranging from:

- Banks
- Transportation Sector
- Educational Institutions
- Retail Supermarkets
- Hotels
- Health Care
- Corporates, etc.



SALES AND MARKETING STRATEGIES

The efficiency of the marketing and sales network is critical success of our company. Our success lies in the strength of our relationship with our customers who have been associated with our company. Our team through their vast experience and good rapport with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our company. We believe our relationship with the clients is established as we receive repeat order flows. To retain our customers, our team regularly interacts with them and focuses on gaining an insight into the additional needs of customers. We intend to expand our existing customer base by reaching out to other geographical areas. Our marketing team is ready to take up challenges so as to scale new heights.

We generally optimize 80% on digital marketing & 20% on traditional marketing. We also indulge into social media campaigns, exhibition participations (India & Globally), press releases / articles and recognition by various Awards.

INSURANCE

Our insurance policies are subject to customary exclusions and deductibles. We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage maintained. We maintain insurance policies in respect of our operations. These policies insure our assets against standard fire and special perils, earthquake (Fire and Shock). We also maintain Marine Cargo Policy.

UTILITIES & INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our Registered Office at Mumbai, Maharashtra is well equipped with computer systems, internet connectivity, other communications equipment, security and other facilities, which are required for our business operations to function smoothly. Our manufacturing facilities located at Daman, is also equipped with requisite utilities and infrastructure facilities which also include the following basic requirements, such as:

Power

Our Company meets its power requirements by purchasing electricity from Electricity Department, Daman for its Manufacturing Units located at Daman. Tata Power Company Limited supplies electricity to the Registered Office of the Company situated at Mumbai.

Water

Our water requirement is very low; our Company requires water for drinking and other office use. We have a borewell at our manufacturing unit and for our registered office we procure supply from Brihanmumbai Municipal Corporation.

EXPORT AND EXPORT OBLIGATION

Our Company does not have any export obligation as on the date of filing this Red Herring Prospectus.

HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

As on December 31, 2016 we have 30 and 11 employees at the registered office and manufacturing unit respectively. We also employ casual labour on need basis. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work progress



and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

LAND AND PROPERTIES:

We have our properties located at following:

Sr No.	Address of the property	Area of the property	Current Usage
1.	Office No. 002, Ground Floor, Raheja Plaza-1, LBS Marg, Ghatkopar (West), Mumbai – 400086, Maharashtra, India	Carpet Area – 1988 Sq.ft Built up Area – 2386 Sq. ft.	The said premise has been given on Leave and license basis to CavinKare Private Limited for the period of 60 months commencing from January 15, 2016 and expiring on January 14, 2021 for a license fee of Rs. 1,84,920 per month for the period of first 24 months, Rs. 2,34,000 per month for the period of subsequent 12 months and Rs. 2,69,100 per month for the period of balance 24 months and an Interest Free Security Deposit Rs.14,04,000/-.

Leased Properties:

Sr No .	Name of the Licensor	Name of the Licensee	Location of Property	Area of the Property	Consideration	Period of Agreement	Usage
1	Magrolia Leasing & Infotech Private Limited	Vardhaman Technology Private Limited	Unit No: 201 (B1), Second Floor, Raheja Plaza -1, LBS Marg, Ghatkopar (West), Mumbai – 400086, Maharashtra, India	Carpet area - 4690 Sq. ft. Chargeable Area - 6000 Sq. ft.	Rs. 4,50,000 per month for first 36 months (From January 15, 2016 to January 14, 2019) + Rs. 5,17,500 per month for balance period of 24 months (January 15, 2019 to January 14, 2021) + Interest Free Security Deposit Rs. 13,50,000	60 Months from January, 15, 2016 and expiring on January 01, 2021	Registered Office + Out of the said premises, the area of one working desk for employees has been given on the sub leave and license basis to Panache Innovations Limited (Formerly known as Ruby Traders & Exporters Limited) for a period of 36 months commencing from June 10, 2016 for a license fee of Rs. 10,000 per working desk per month.

Sr No .	Name of the Licensor	Name of the Licensee	Location of Property	Area of the Property	Consideration	Period of Agreement	Usage
2	Harin Shah	Vardhaman Technology Private Limited	Gala No. 2 and 4 on Ground Floor, Gala No.1,2,3,4 and Office premises on the First floor, Industrial Building Survey No.485/C, Furtado Compound, Near Dabhel Check post, Dabhel, Nani Daman – 396210, District Daman, Union Territory of Daman and Diu	Gala No. 2 – 900 Sq. ft. Gala No. 4 – 875 Sq. ft. Gala No.1 – 1005 Sq. ft. Gala No.2 – 1046 Sq. ft. Gala No.3 – 1011 Sq. ft. Gala No.4 – 943 Sq. ft. Office Premises – 321 Sq. ft. Total area = 6101 Sq. ft.	1 st year Rent - Rs. 1,45,000 per month 2 nd Year Rent - Rs. 1,52,250 per month 3 rd Year Rent - Rs.1,60,000 per month + Interest Free Security Deposit Rs. 3,00,000	3 Years commencing from March 01, 2017 till February 28, 2020	Manufacturing Activities
5	Logix Supply Chain Solution Private Limited	Vardhaman Technology Private Limited	Building No. 112 and 119 Gala No. 1 to 5 in Indian Corporation, Village Gundavali, Mankoli Naka, Bhiwandi – 421302, Maharashtra, India	500 Sq. ft.	Rs. 1,25,000/-p.m.	12 months commencing from September 01, 2016 till August 31, 2017	Warehouse

INTELLECTUAL PROPERTY

Our Company has registered/ applied for following trademarks:-

Sr. No	Trademark Description	Word/ Label Mark	Applicant	Application number	Date of Application	Class	Date of Expiry	Status
1.		VARDHAMAN TECHNOLOGY (LABEL)	Vardhaman Technology Private Limited.	1601304	September 13, 2007	9	-	Opposed

Also Our Company has entered an brand usage agreement dated October 04, 2016 with Rambhia IPR Services LLP for using its registered trademark “**PANACHE**” having a Trademark Registration Number 1612101 as a brand name in connection with IT Hardware Systems, Solutions and Services for a period of 3 years commencing from April 01, 2016 for consideration.

As on the date of this Red Herring Prospectus, our Company does not have any other intellectual property.

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Red Herring Prospectus, the Companies Act, 1956 / the Companies Act, 2013, We are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 256 of this Red Herring Prospectus.

APPLICABLE LAWS AND REGULATIONS

BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise , where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise” , where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “ Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

INDUSTRIAL POLICY OF RELEVANT STATE

The Maharashtra Industrial Policy 2013

The Maharashtra Industrial Policy 2013 has given a special attention to encourage small scale industries. For financial stability of MSMEs (Micro Small and Medium Enterprises) , the state government will provide fiscal incentives and support to less developed areas, such as 75% reimbursement of cost of water and energy admissible. There is 100% stamp duty exemption within investment period for acquiring land and for term loan purposes. Exemption from payment of electricity duty to eligible new units is also available in certain cases. Power tariff of INR 1/- per unit consumed is available for eligible new units located in Gondia, Kinvat, Chandrapur, etc. Financial incentives are available in the form of Industrial Promotion Subsidy (IPS), Interest Subsidy, Electricity duty exemption, Waiver of Stamp Duty, Power Tariff Subsidy, etc. Up to 70 lacs can be utilized in the various ways. The Industrial Promotion Subsidy, which is receivable in cash as a specific percentage of net VAT and CST is also provided. Existing units can also be benefited under this scheme provided that they make 1) minimum investment in capital assets of 25%; 2) same increase in production capacity; and 3) minimum 10% increase in employment.

ANTI-TRUST LAWS

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The *prima facie* duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and The Companies Act, 2013

The consolidation and amendment in law relating to Companies Act, 1956 made way to enactment of Companies Act, 2013. The Companies act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

EMPLOYMENT AND LABOUR LAWS

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the

prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year covered to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

Payment of Gratuity Act, 1972

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

Minimum Wages Act, 1948

The Minimum Wages Act, 1948 ("MWA") came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1951 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Equal Remuneration Act, 1976

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

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

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

Industrial Disputes Act, 1947 ("ID Act") and Industrial Dispute (Central) Rules, 1957

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment

TAX RELATED LEGISLATIONS

Value Added Tax (“VAT”)

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.

The Maharashtra Value Added Tax, 2002

As per the provisions of MVAT, a dealer is liable to pay tax on the basis of turnover of sales within the State. The term dealer has been defined u/s. 2(8) of the Act. It includes all person or persons who buys or sells goods in the State whether for commission, remuneration or otherwise in the course of their business or in connection with or incidental to or consequential to engagement in such business. The term includes a Broker, Commission Agent, Auctioneer, Public Charitable Trusts, Clubs, Association of Persons, Departments of Union Government and State Government, Customs, Port Trusts, Railways, Insurance & Financial Corporations, Transport Corporations, Local authorities, Shipping and Construction Companies, Airlines, Advertising Agencies and also any corporation, company, body or authority, which is owned, constituted or subject to administrative control of the Central Government, any State Government or any local authority.

However an agriculturist, educational institution and transporters shall not be deemed to be a dealer (subject to fulfilment of conditions).

Daman and Diu Value Added Tax Act, 2005

As per the provisions of this Act, a dealer is liable to pay tax on every sale of goods effected by a dealer – (a) on and from the day on which the dealer was required to be registered under this Regulation; or(b) during the period he is registered as a dealer under this Regulation. Every dealer, who becomes liable to pay tax under this Regulation on the sale of goods, shall continue to be so liable unless his taxable turnover during any preceding consecutive twelve months or such further period as may be prescribed, has remained below the taxable quantum and on the expiry of such twelve months or further period his liability to pay tax shall cease:

Provided that any dealer, whose liability to pay tax under this Regulation ceases for any other reason, may apply for the cancellation of his certificate of registration on or after the date on which his liability to pay tax ceases, and on such cancellation, his liability to pay tax shall cease. Provided further that a dealer shall remain liable to pay tax until the date on which his certificate of registration is cancelled. Every dealer who is liable to pay tax under this Act, will have to apply for Certificate of Registration under this Act.

Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain

the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

Central Sales Tax Act, 1956 (“CST”)

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.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

The Central Excise Act, 1944

The Central Excise Act, 1944 (“Central Excise Act”) consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

OTHER LAWS

The Factories Act, 1948

The Factories Act, 1948 (“Factories Act”) aims at regulating labour employed in factories. A “factory” is defined as “any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...”. The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare

of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the "occupier", being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

Shops and establishments laws in various states

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

ENVIRONMENTAL LEGISLATIONS

The Environment Protection Act, 1986 ("Environment Protection Act")

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

Air (Prevention and Control of Pollution) Act, 1981

Air (Prevention and Control of Pollution) Act 1981("the Act") was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act 1974 ("the Act") was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act

prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

Hazardous Waste (Management and Handling) Rules, 1989

The Hazardous Waste (Management and Handling) Rules, 1989, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

The Public Liability Insurance Act, 1991

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

National Environmental Policy, 2006

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

INTELLECTUAL PROPERTY LEGISLATIONS

In general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process

producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999

The Trade Marks Act, 1999 (the “**Trade Marks Act**”) provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

GENERAL LAWS

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

OTHER LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of all the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. Director General of Foreign Trade (herein after referred to as DGFT) is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

Foreign Exchange Management Act, 1999

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other

authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment 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. 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. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

THE FOREIGN DIRECT INVESTMENT

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (**"FDI"**) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (**"DIPP"**), has issued consolidated FDI Policy Circular of 2016 (**"FDI Policy 2016"**), which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. Further, DIPP has issued Press note 5, dated June 24, 2016 which introduces few changes in FDI Policy 2016. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2016 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (**"RBI"**) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2016, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

CORPORATE PROFILE AND BRIEF HISTORY

Our Company was originally incorporated as "Vardhaman Technology Private Limited" at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 30, 2007 bearing Corporate Identification Number U72200MH2007PTC169415 issued by Registrar of Companies, Maharashtra, Mumbai. Subsequently, our Company was converted into Public Company pursuant to Shareholders resolution passed at the Extraordinary General Meeting of our Company held on January 23, 2017 and the name of our Company was changed to "Vardhaman Technology Limited" and a fresh Certificate of Incorporation consequent upon Conversion from Private Company to Public Company dated February 15, 2017 was issued by the Registrar of Companies, Maharashtra, Mumbai. Further, the name of our Company was changed to "Panache Digilife Limited" and a Certificate of Incorporation pursuant to change of name dated February 22, 2017 was issued by the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identification Number (CIN) of our Company is U72200MH2007PLC169415.

Nikit Rambhia and Amit Rambhia are the promoters of our Company. They alongwith Devchand Rambhia were the initial subscribers to the Memorandum of Association of our Company.

For information on our Company's profile, activities, market, products, etc., market of each segment, capacity built-up, exports and profits due to foreign operations together with country wise analysis, standing of our Company in comparison with prominent competitors, with reference to its products, management, managerial competence, technology, market, major suppliers and customers, environmental issues, geographical segment, etc. wherever applicable, please refer to chapters titled "*Our Business*", "*Financial Statements as Restated*", "*Management's Discussion and Analysis of Financial Condition and Results of Operation*", "*Government and Other Statutory Approvals*" beginning on page 143, 198, 232 and 256 respectively of this Red Herring Prospectus.

CHANGES IN OUR REGISTERED OFFICE:

At the time of Incorporation, registered office of our Company was situated at 313, Bhaveshwar Arcade, LBS Marg, Ghatkopar (West), Mumbai - 400086, Maharashtra, India. The registered office of our company was then shifted to:

Date	From	To	Reason
December 3, 2008	313, Bhaveshwar Arcade, LBS Marg, Ghatkopar (West), Mumbai - 400086 , Maharashtra, India	105, Jhalawar, Patanwala Compound, LBS Marg, Ghatkopar (West), Mumbai - 400086, Maharashtra , India	For administrative convenience
June 25, 2013	105, Jhalawar, Patanwala Compound, LBS Marg, Ghatkopar (West), Mumbai -400086 Maharashtra, India	Unit No.002, Raheja Plaza -1,LBS Marg, Ghatkopar (West), Mumbai,- 400086 Maharashtra, India	For administrative convenience
November 19, 2016	Unit No.002, Raheja Plaza - 1,LBS Marg, Ghatkopar (West), Mumbai -400086, Maharashtra, India	Unit No. 201/B, Raheja Plaza-1, L.B.S. Marg, Ghatkopar (West), Mumbai- 400086, Maharashtra, India	For administrative convenience

KEY EVENTS AND MILESTONES

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

YEAR	EVENTS
2007	Incorporation of Company
2007	Acquired ongoing business of M/s. Vardhaman Computers, properitorship concern of

YEAR	EVENTS
	Nikit Rambhia
2009	ISO certificate 9001:2008
2017	Conversion of Company from Private to Public

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

To carry on the business of Manufacturing, trading, distributing, importing, exporting, repairing, buy, sell, conduct research, impart training, develop, maintain, hire, let on hire, alter, design, provide services including consultancy or otherwise deal in computer and computer peripherals, accessories, computer parts, laptops, tablets, servers, monitors, AIO, kiosks, UPS, power systems, GPS, Televisions, LED Lights & LED solutions, Air purifiers, Wearables, PCB (Printed Circuit Boards), Plastic parts, plastic components, plastic gransules & raw materials, Rubber parts & components, metal parts & components, IOT devices, RF devises, BLE Devises, Battery banks & power back-up solution, Solar solutions, solar panels, Digital printing solutions, digital writing solutions, Software, Stick PC, Camera, CCTV, water ioniser, wireless devices, cloud devices, internet gateways, servers, MDM (Mobile Device Management), Automative products, electronics and electrical equipment, networking systems and products wireless and telecommunication systems and products including mobile phones, implementation of LAN and WAN systems.

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION

Since incorporation, the following Changes have been made to our Memorandum of Association

DATE OF AGM / EGM	CHANGES
July 9, 2008	Increase of Authorised Capital from Rs. 5,00,000 consisting of 50,000 Equity Shares of Rs.10/- each to Rs. 50,00,000 consisting of 5,00,000 Equity Shares of Rs.10/- each
November 25, 2016	Increase of Authorised Capital from Rs. 50,00,000 consisting of 5,00,000 Equity Shares of Rs.10/- each to Rs. 7,00,00,000 consisting of 70,00,000 Equity Shares of Rs.10/- each
January 23, 2017	Conversion of our Company from Private Limited Company to Public Limited Company and Clause I of the Memorandum of Association of the Company changed to reflect changed name of the Company as Vardhaman Technology Limited on conversion of Company into a public Company.
January 23, 2017	<ul style="list-style-type: none"> i. The Word and expression used at the heading of the Memorandum of Association "THE COMPANIES ACT, 1956" shall be replaced with "THE COMPANIES ACT, 2013" ii. The existing Clause III (A) heading i.e. "THE MAIN OBJECT OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE" be replaced by the new heading i.e. "THE OBJECT TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE" with existing object appearing as III (A)(1) thereunder. iii. The existing Clause III (B) heading i.e. "OBJECT INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECT ARE" be replaced by the new heading i.e. "MATTER WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECT SPECIFIED IN CLAUSE III (A) ARE" with existing objects appearing as III [B] [2] to III [B] [53] thereunder. iv. The existing Clause III [C] heading i.e. "OTHER OBJECT" is

DATE OF AGM / EGM	CHANGES
	<p>proposed to be deleted and the objects of clause III (C) 54 to III (C) 68 to be merged with Clause III (B) in line the requirements of Companies Act, 2013.</p> <p>v. The existing Clause IV i.e. "THE LIABILITY OF THE MEMBERS IS LIMITED" be replaced by new clause i.e. "THE LIABILITY OF THE MEMBER(S) IS LIMITED AND THIS LIABILITY IS LIMITED TO THE AMOUNT UNPAID, IF ANY, ON THE SHARES HELD BY THEM."</p> <p>vi. The existing Clause V (b) i.e. "The minimum paid-up capital of the Company shall be Rs. 1,00,000/- shall be deleted.</p> <p>vii. To replace 'Companies Act, 1956' with 'Companies Act, 2013' wherever it appears.</p>
February 17, 2017	<p>Clause III A (1) of Memorandum of Association of the company altered to reflect the change in main objects as mentioned below:-</p> <p><i>11. To carry on the business of Manufacturing, trading, distributing, importing, exporting, repairing, buy, sell, conduct research, impart training, develop, maintain, hire, let on hire, alter, design, provide services including consultancy or otherwise deal in computer and computer peripherals, accessories, computer parts, laptops, tablets, servers, monitors, AIO, kiosks, UPS, power systems, GPS, Televisions, LED Lights & LED solutions, Air purifiers, Wearables, PCB (Printed Circuit Boards), Plastic parts, plastic components, plastic gransules & raw materials, Rubber parts & components, metal parts & components, IOT devices, RF devises, BLE Devises, Battery banks & power back-up solution, Solar solutions, solar panels, Digital printing solutions, digital writing solutions, Software, Stick PC, Camera, CCTV, water ioniser, wireless devices, cloud devices, internet gateways, servers, MDM (Mobile Device Management), Automative products, electronics and electrical equipment, networking systems and products wireless and telecommunication systems and products including mobile phones, implementation of LAN and WAN systems.</i></p> <p>Clause I of the Memorandum of Association of the Company changed to reflect changed name of the Company as Panache Digilife Limited on change of name of the Company.</p> <p>Fresh Certificate of Incorporation date February 22, 2017 issued by Registrar of Companies, Maharashtra, Mumbai</p>

COUNTRY WISE EXPORT SALES FOR MONTH PERIOD ENDED DECEMBER 31, 2016

Name of the Country	Amount Rs. In Lakhs
Dubai	17.96
Riyadh	5.19
Iran	0.59
Sri Lanka	0.27

OUR HOLDING / SUBSIDIARY COMPANY

Our Company has no holding Company as on date of filing of this Red Herring Prospectus.

Except given as under our Company does not have any other subsidiary.



1. Wemart Global-F.Z.E

Corporate Information

Wemart Global-F.Z.E was incorporated as Free Zone Entity (F.Z.E) under United Arab Emirates Government of Ajman. Its License No. is 20060.

Registered office:

The Registered Office of Wemart Global- F.Z.E is situated at SM-Office-C1-1119F

Current Nature of Business:

The Company is proposed to engage in General Trading Import & Export of computer systems and computers peripherals.

As on the date of this Red Herring Prospectus the subsidiary company has only obtained commercial license. The subsidiary Company is yet to commence its operations.

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details in relation to our capital raising activities through equity and debt, please refer to the chapters titled “*Financial Statements as Restated*” and “*Capital Structure*” beginning on page 198 and 77, respectively, of this Red Herring Prospectus.

REVALUATION OF ASSETS

Our Company has not revalued its assets since its incorporation.

CHANGES IN THE ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

There has been no change in the activities being carried out by our Company in the last five years.

INJUNCTIONS OR RESTRAINING ORDERS

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

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

Except acquisition of business of Vardhaman Computers, a proprietorship concern of Nikit Rambhia, vide Business Assignment Agreement dated April 5, 2007 there has been no merger or acquisition of businesses or undertakings in the history of our Company.

SHAREHOLDERS' AGREEMENTS

Our Company has not entered into any shareholders' agreement as on date of filing of this Red Herring Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any agreements / arrangements except under normal course of business of the Company, as on date of filing of this Red Herring Prospectus.

STRIKES AND LOCK-OUTS

There have been no strikes or lockouts in our Company since incorporation.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

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

STRATEGIC PARTNERS

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

CONVERSION OF LOANS INTO EQUITY SHARES

There has been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Red Herring Prospectus.

FINANCIAL PARTNERS

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

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS

There have been no defaults or rescheduling of borrowings with any financial institutions / banks as on the date of this Red Herring Prospectus.

NUMBER OF SHAREHOLDERS

Our Company has 7 shareholders as on date of this Red Herring Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association, Our Company is required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. Our Company currently has 6 directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Red Herring Prospectus:

Sr. No.	Name, Age, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of last Appointment / Re- appointment	Other Directorship
1.	Name: Amit Rambhia Age: 42 Years Father's Name: Devchand Rambhia Designation: Chairman & Managing Director Address: 2B-113, Kalpatru Aura, LBS Marg, Ghatkopar (West) Mumbai – 400086, Maharashtra, India Occupation: Business Nationality: Indian Term: Three Years from February 17, 2017 subject to liable to retire by rotation DIN: 00165919	February 17, 2017	Public Limited Company <ul style="list-style-type: none"> • Panache Innovations Limited Private Limited Company – <ul style="list-style-type: none"> • ICT Infratech Services Private Limited • Clevermart Private Limited Limited Liability Partnership: <ul style="list-style-type: none"> • Rambhia IPR Services LLP
2.	Name: Nikit Rambhia Age: 38 Years Father's Name: Devchand Rambhia Designation: Joint Managing Director Address: 3B-134, Kalpataru Aura., LBS Marg, Ghatkopar (West) Mumbai – 400 086, Maharashtra, India Occupation: Business Nationality: Indian Term: Three Years from February 17, 2017 subject to liable to retire by rotation DIN: 00165678	February 17, 2017	Public Limited Company - Nil Private Limited Company – <ul style="list-style-type: none"> • ICT Infratech Services Private Limited Limited Liability Partnership: <ul style="list-style-type: none"> • Rambhia IPR Services LLP
3.	Name: Devchand Rambhia Age: 69 Years Father's Name: Lalji Rambhia Designation: Whole Time Director Address: Flat No. 3-B/134, 13th Floor, Kalpataru Aura, Opp. R-City Mall, L.B.S. Marg, Ghatkopar West, Mumbai 400086	February 17, 2017	Public Limited Company – Nil Private Limited Company – Nil

Sr. No.	Name, Age, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of last Appointment / Re-appointment	Other Directorship
	Occupation: Business Nationality: Indian Term: Three Years from February 17, 2017 subject to liable to retire by rotation DIN: 00165851		
4.	Name: Meeta Mehta Age: 41 years Husband's Name: Kaushal Modi Designation: Additional Independent Director Address: C2/107, Shree Shubh Karma CHS Ltd, Plot No. 368, Scheme No: 4, Comrade Harbanslal Marg Mumbai – 400022, Maharashtra, India Occupation: Professional Nationality: Indian Term: One Year w.e.f. February 17, 2017 DIN: 07515717	February 17, 2017	Public Limited Company <ul style="list-style-type: none"> • Panache Innovations Limited Private Limited Company – Nil
5.	Name: Rohit Mathur Age: 37 years Father's Name: Chandra Kishor Mathur Designation: Additional Independent Director Address: 1D 23, kalpatru aura LBS Marg Opp R City Mall Ghatkopar (west) Mumbai 400086, Maharashtra, India Occupation: Professional Nationality: Indian Term: One Year w.e.f. February 17, 2017 DIN: 06583736	February 17, 2017	Public Limited Company <ul style="list-style-type: none"> • Panache Innovations Limited Private Limited Company <ul style="list-style-type: none"> • Exponentia Datalabs Private Limited Limited Liability Partnership <ul style="list-style-type: none"> • Sprout Bucket Business Solutions LLP
6.	Name: Bhavin Shah Age: 36 years Father's Name: Vinod Shah Designation: Additional Independent Director Address: B-1104 Brentwood Bldg Main Street Hiranandani Gardens Powai Mumbai - 400076, Maharashtra, India Occupation: Professional Nationality: Indian	February 17, 2017	Public Limited Company: Nil Private Limited Company <ul style="list-style-type: none"> • Jyoti Green Trade Private Limited

Sr. No.	Name, Age, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of last Appointment / Re-appointment	Other Directorship
	Term: One Year w.e.f. February 17, 2017 DIN: 02919483		

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Amit Rambhia:

Amit Rambhia, aged 42 years is the Promoter, Chairman and Managing Director of our Company. He has been associated with our Company since incorporation and has been re-designated as Chairman and Managing Director w.e.f February 17, 2017. He has completed his Bachelors of Engineering in Computer Engineering from the University of Mumbai and Executive Post–Graduate Diploma in Management from The Indian Institute of Management, Indore. He has an experience of more than two decades in electronics and Information Technology sector. He has been instrumental in formulating the business strategies of our Company and is entrusted with the responsibility of looking after the overall management and maintaining customer relations.

Nikit Rambhia

Nikit Rambhia, aged 38 years is the Promoter and Joint Managing Director of our Company. He has been associated with our Company since incorporation and has been re-designated as Joint Managing Director w.e.f February 17, 2017. He has completed his Master of Marketing Management from University of Mumbai. He has an experience of more than a decade in handling operations. He manages all the operations and strategic partnerships. He also looks after planning and execution of new projects.

Devchand Rambhia

Devchand Rambhia, aged 69 years is the Whole Time Director of our Company. He has been associated with our Company since incorporation and has been designated as Whole Time Director w.e.f February 17, 2017. He has completed his Diploma in Mechanical Engineering from Board of Technical Examinations.

Meeta Mehta

Meeta Mehta, aged 41 years is appointed as Additional Independent Director of our Company with effect from February 17, 2017. She is qualified Chartered Accountant by profession and the member of the Institute of Chartered Accountants of India and holds Certificate of Practice issued by the Institute.

Rohit Mathur

Rohit Mathur, aged 37 years is appointed as Additional Independent Director of our Company with effect from February 17, 2017. He has completed his post graduate programme in Management at the ISB, Hyderabad and also holds Bachelor of Technology in mechanical Enggineering from Indian Institute of Technology, Kanpur.

Bhavin Shah

Bhavin Shah, aged 36 years is appointed as Additional Independent Director of our Company with effect from February 17, 2017.

CONFIRMATIONS

As on the date of this Red Herring Prospectus:

1. Except as stated below; none of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013

Director	Other Director	Relation
Nikit Rambhia	Devchand Rambhia	Father- Son
Amit Rambhia		
Nikit Rambhia	Amit Rambhia	Brothers

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above mentioned Directors are on the RBI List of willful defaulters.
5. Except as mentioned below, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges.

The shares of M/s. Panache Innovations Limited (Formerly known as Ruby Traders & Exporters Limited), one of our Group Company was voluntarily delisted from Calcutta Stock Exchange Limited. Though are directors were not on Board at the time of delisting of the Company from CSE, but currently Amit Rambhia is on the board of Panache Innovations Limited (Formerly known as Ruby Traders & Exporters Limited) and Nikit Rambhia was director of such Company. Further the company was also listed on UPSE which was derecognized by the SEBI on June 09, 2015

Name of the Company	Panache Innovations Limited (Formerly known as Ruby Traders & Exporters Limited)
Listed on	Calcutta Stock Exchange Limited and The U.P. Stock Exchange Limited
Date of delisting	12th May, 2015 from The Calcutta Stock Exchange Limited and on 9th June, 2015 from The U.P. Stock Exchange Limited
Compulsory or voluntary delisting	Voluntary Delisting from The Calcutta Stock Exchange Limited and Compulsory Delisting vide order No. WTM/RKA/MRD/49/2015 dated 9th June, 2015 from The U.P. Stock Exchange Limited
Reasons for delisting	From The Calcutta Stock Exchange Limited – voluntary delisting and from The U.P. Stock Exchange Limited due to derecognition of regional stock exchange
Whether relisted	Yes on Bombay Stock Exchange Limited on 29/10/2014
Term of Amit Rambhia	Appointed as director on February 2, 2016
Term of Nikit Rambhia	Has been director from February 2, 2016 to January 14, 2017

6. None of the Promoter, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

REMUNERATION/COMPENSATION PAID TO DIRECTORS

Except as mentioned below, no other current Directors have received remuneration during the last financial year ended on March 31, 2016.

Name of the Director	Amount (in Lakhs)
Nikit Rambhia	18.00
Amit Rambhia	18.00
Devchand Rambhia	9.00

Terms and conditions of employment of our Director:



A. Amit Rambhia

Amit Rambhia, has been designated as Chairman and Managing Director *vide* shareholders resolution at the Extra Ordinary Meeting of the Company held on February 17, 2017 for a term of 3 years with effect from February 17, 2017 subject to liable to retire by rotation at a remuneration upto Rs. 60.00 Lakhs p.a.

All other benefits are as applicable to other employees of the Company including but not limited to gratuity and leave entitlement.

B. Nikit Rambhia

Nikit Rambhia, has been designated as Joint Managing Director *vide* shareholders resolution at the Extra Ordinary Meeting of the Company held on February 17, 2017 for a term of 3 years with effect from February 17, 2017 subject to liable to retire by rotation at a remuneration upto Rs. 60.00 Lakhs p.a.

All other benefits are as applicable to other employees of the Company including but not limited to gratuity and leave entitlement.

C. Devchand Rambhia

Devchand Rambhia, has been designated as Whole Time Director *vide* shareholders resolution at the Extra Ordinary Meeting of the Company held on February 17, 2017 for a term of 3 years with effect from February 17, 2017 subject to liable to retire by rotation at a remuneration upto Rs. 60.00 Lakhs p.a.

All other benefits are as applicable to other employees of the Company including but not limited to gratuity and leave entitlement.

OTHER CONFIRMATIONS

As on the date on this Red Herring Prospectus:

1. There is no contingent or deferred compensation payable to any Director, Managing Director which has accrued for this year and payable in current or any future period.
2. No compensation was paid to any Director pursuant to bonus or profit sharing plan.

SHAREHOLDING OF OUR DIRECTORS IN THE COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our

The following table details the shareholding of our Directors as on the date of this Red Herring Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Nikit Rambhia	14,00,000	33.33	23.33
2.	Amit Rambhia	14,00,000	33.33	23.33
3.	Devchand Rambhia	13,99,580	33.32	23.33

INTERESTS OF DIRECTORS

Interest in promotion of our Company

Directors of our Company, are interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled “Our Promoter and Promoter Group” beginning on page 187 of this Red Herring Prospectus.

Interest in the property of our Company

Our Directors do not have any other interest in any property acquired by our Company in a period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us as on date of filing of this Red Herring Prospectus

Interest as member of our Company

As on date of this Red Herring Prospectus, our Directors together hold 41,99,580 Equity Shares in our Company i.e. 99.99 % of the pre Issue paid up Equity Share capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding and the dividend declared, if any, by our Company.

Interest as a Creditor of our Company

As on the date of this Red Herring Prospectus, our Company has not availed loans from the Promoter of our Company except as disclosed in chapter titled "*Financial Indebtedness*" and heading titled "*Related Party Transactions*" under chapter titled "*Financial Statements as Restated*" beginning on page **241** and **198** respectively of this Red Herring Prospectus.

Interest as Director of our Company

Except as stated in the chapters titled "*Our Management*", "*Financial Statements as Restated*" and "*Capital Structure*" beginning on pages 172, 198 and 77 respectively, of this Red Herring Prospectus our Directors, may deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreements entered into with our Company, if any and AoA of our Company.

Interest as Key Managerial Personnel of our Company

Amit Rambhia, Chairman and Managing Director, Nikit Rambhia, Joint Managing Director and Devchand Rambhia, Whole Time Director of the Company are the Key Managerial Personnel of the Company and may deemed to be interested to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreement entered into with our Company, if any and AoA of our Company and to the extent of Equity Shares held by them in our Company. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares. Other than as disclosed above, no other Director is interested as Key Managerial Personnel of the Company. For further details, please refer to heading titled "*Related Party Transactions*" under chapter titled "*Financial Statements as Restated*" beginning on page **198** of this Red Herring Prospectus.

Interest in transactions involving acquisition of land

Our Promoter is not currently interested in any transaction with our Company involving acquisition of land. Except as stated/referred to under the heading titled "*Land and Property*" under chapter titled "*Our Business*" beginning on page **143** of this Red Herring Prospectus, our Promoter has not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Promoter is interested directly or indirectly and no payments have been made to him in respect of these contracts, agreements or arrangements or are proposed to be made to him.

Other Indirect Interest

Except as stated in chapter titled "*Financial Statements as Restated*" beginning on page **198** of this Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

Interest in the Business of Our Company

Except as stated in "*Related Party Transactions*" in the chapter titled "*Financial Statements as Restated*" beginning on page **198** of this Red Herring Prospectus, our Directors do not have any other interests in our Company as on the date of this Red Herring Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have any Associate Company as on date of filing Red Herring Prospectus.. Further, as on the date of Red Herring Prospectus our Directors does not hold any shares in our subsidiary company.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Red Herring Prospectus:

Name	Date of event	Nature of event	Reason
Amit Rambhia	February 17, 2017	Re-appointment	Designated as Chairman & Managing Director
Nikit Rambhia	February 17, 2017	Re-appointment	Designated as Joint Managing Director
Devchand Rambhia	February 17, 2017	Re-appointment	Designated as Whole Time Director
Meeta Mehta	February 17, 2017	Appointment	Appointed As Additional Independent Director
Rohit Mathur	February 17, 2017	Appointment	Appointed As Additional Independent Director
Bhavin Shah	February 17, 2017	Appointment	Appointed As Additional Independent Director

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at the Extraordinary General Meeting of our Company held on January 23, 2017 and pursuant to provisions of Section 180(1)(a) and 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under and the Board of Directors (including committees) of the Company be and is hereby authorized to borrow money on such terms and conditions as may be considered and suitable by the Board of Directors up to a limit of Rs.500/-crores (Rupees Five Hundred Crores Only) notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the Company (apart from the Temporary Loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the Paid-up Capital of the Company and its Free Reserves of the Company.

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be complied to the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The Corporate governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Red Herring Prospectus, there are 6 Directors on our Board out of which one half are independent Directors. Our Company is incompliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations, the Equity Listing Agreements and the Companies Act, 2013.

The following committees have been constituted in terms of SEBI Listing Regulations and the Companies Act, 2013.

- A. Audit Committee
- B. Stakeholders Relationship Committee
- C. Nomination and Remuneration Committee

A) Audit Committee

Our Company has constituted an audit committee ("*Audit Committee*"), as per section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; vide resolution passed at the meeting of the Board of Directors held on February 17, 2017.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors:

Name of the Director	Status	Nature of Directorship
Meeta Mehta	Chairman	Additional Independent Director
Rohit Mathur	Member	Additional Independent Director
Amit Rambhia	Member	Managing Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers:

- a. To investigate any activity within its terms of reference;
- b. To seek information from any employee;
- c. To obtain outside legal or other professional advice; and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. 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;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly 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, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / Draft Red Herring Prospectus/ Red Herring Prospectus / 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. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of 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 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 auditors 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 oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board.
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

21. To investigate any other matters referred to by the Board of Directors.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Meeting of Audit Committee and relevant Quorum

The audit committee shall meet at least 4 times in a year and not more than 4 months shall elapse between 2 meetings. The quorum shall be either 2 members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of 2 Independent Directors, who are members, present.

B) Stakeholder's Relationship Committee

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on February 17, 2017.

The Stakeholders' Relationship Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Rohit Mathur	Chairman	Additional Independent Director
Nikit Rambhia	Member	Additional Joint Managing Director
Bhavin Shah	Member	Additional Independent Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

A. Tenure: The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.

B. Role of the Stakeholder's Relationship Committee:

The Committee shall consider and resolve grievances of security holders, including but not limited to:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.



8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

C) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on February 17, 2017. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Bhavin Shah	Chairman	Additional Independent Director
Meeta Mehta	Member	Additional Independent Director
Rohit Mathur	Member	Additional Independent Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

1) Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

2) Meetings: The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

3) Role of the Nomination and Remuneration Committee not limited to but includes:

- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for directors, KMPs and other employees.
- Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- Formulation of criteria for evaluation of performance of independent directors and Board of Directors
- Devising a policy on diversity of board of directors
- Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole time Director / Managing Directors.
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- To formulate and administer the Employee Stock Option Scheme.

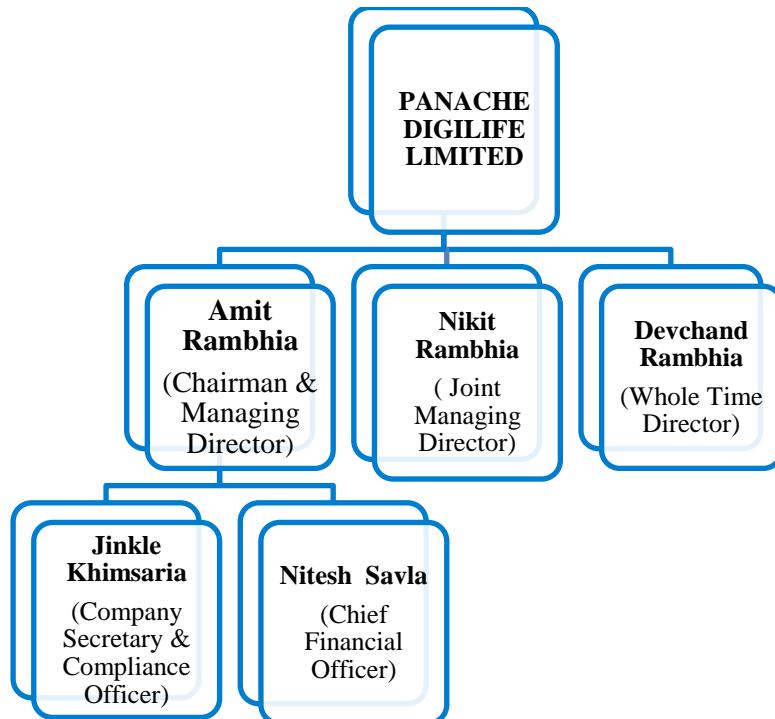
Policy on Disclosures and Internal Procedure for Prevention of Insider Trading:

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Emerge Platform of NSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of

Directors at their meeting held on February 17, 2017 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Jinkle Khimsaria, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

ORGANISATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL

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

The details of our Key Managerial Personnel are set out below:

Amit Rambhia:

Amit Rambhia, aged 42 years is the Promoter, Chairman and Managing Director of our Company. He has been associated with our Company since incorporation and has been designated as Chairman and Managing Director w.e.f February 17, 2017. He has completed his Bachelors of Engineering in Computer Engineering from the University of Mumbai and Executive Post-Graduate Diploma in Management from The Indian Institute of Management, Indore. He has an experience of more than two decades in Information Technology sector. He has been instrumental in formulating the business strategies of our Company and is entrusted with the responsibility of looking after the overall management and operations the Company.

Nikit Rambhia

Nikit Rambhia, aged 38 years is the Promoter and Joint Managing Director of our Company. He has been associated with our Company since incorporation and has been designated as Joint Managing Director w.e.f February 17, 2017. He has completed his Master of Marketing Management from University of Mumbai. He is the key person in implementation of business strategies laid down by the board.



Devchand Rambhia

Devchand Rambhia, aged 69 years is the Whole Time Director of our Company. He has been associated with our Company since incorporation and has been designated as Whole Time Director w.e.f February 17, 2017. He has been a Director of our Company since incorporation. He has completed his Diploma in Mechanical Engineering from Board of Technical Examinations.

Nitesh Manilal Savla, Chief Financial Officer

Nitesh Manilal Savla aged 37 years has been appointed as the Chief Financial Officer of our Company with effect from November 25, 2016. He has an aggregate experience of more than 8 years in various positions of Finance. He is responsible for looking after accounting, finance and taxation of our Company.

Jinkle Ashok Khimsaria

Jinkle Ashok Khimsaria, aged 23 years is Company Secretary and Compliance Officer of our Company with effect from November 25, 2016. She is a Company Secretary by qualification and a member of Institute of Company Secretaries of India. She looks after the Legal and Compliance Department of the Company.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except as stated below, none of the key managerial personnel are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

Name of the Key Managerial Personnel	Name of the Key Managerial Personnel	Relationship
Nikit Rambhia	Devchand Rambhia	Father- Son
Amit Rambhia	Devchand Rambhia	Father- Son
Nikit Rambhia	Amit Rambhia	Brothers

RELATIONSHIP OF DIRECTORS AND PROMOTER BETWEEN KEY MANAGERIAL PERSONNEL

Except as stated below, none of the key managerial personnel are related to directors/promoters within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

Name of the Director/ Promoter	Name of the Key Managerial Personnel	Relationship
Nikit Rambhia	Devchand Lalji Rambhia	Father- Son
Amit Rambhia	Nikit Rambhia	Brothers
Devchand Lalji Rambhia	Amit Rambhia	Father- Son

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key Managerial Personnel have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as mentioned below, none of our Key Managerial Personnel holds any Equity shares of our company as on the date of this Red Herring Prospectus.

Sr. No.	Name of the KMPs	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Nikit Rambhia	14,00,000	33.33	23.33
2.	Amit Rambhia	14,00,000	33.33	23.33

Sr. No.	Name of the KMPs	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
3.	Devchand Rambhia	13,99,580	33.32	23.33

BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

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

LOANS TO KEY MANAGERIAL PERSONNEL

Except as disclosed in the Annexure XXXIII of the Financial Statement on page 198 of this Red Herring Prospectus Our company has not given any loans and advances to the Key Managerial Personnel.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon and other distributions in respect of such equity shares, if any. Except as disclosed in this Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated otherwise in this Red Herring Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Red Herring Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Except as stated in the chapters “*Our Management*” and “*Related Party Transactions*” beginning on pages 172 and 196 respectively of this Red Herring Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

Name of Managerial Personnel	Date of Event	Nature of event	Reason
Amit Rambhia	February 17, 2017	Re-appointment	Designated as Chairman & Managing Director
Nikit Rambhia	February 17, 2017	Re-appointment	Designated as Joint Managing Director
Devchand Rambhia	February 17, 2017	Re-appointment	Designated as Whole Time Director
Nitesh Savla	November 25, 2016	Appointment	Appointed as Chief Financial Officer
Jinkle Khimsaria	November 25, 2016	Appointment	Appointment as Company Secretary & Compliance Officer

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.



PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements as Restated*” beginning on page **198** of this Red Herring Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTER AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company are Amit Rambhia and Nikit Rambhia. As on date of this Red Herring Prospectus, our Promoter holds 28,00,000 Equity Shares representing 66.67% of the pre-issue Paid up Capital of our Company.

Brief profile of our Individual Promoters is as under:

	<p>Amit Rambhia, Promoter, Chairman and Managing Director</p> <p>Amit Rambhia, aged 42 years is the Promoter, Chairman and Managing Director of our Company. He has been associated with our Company since incorporation and has been re-designated as Chairman and Managing Director w.e.f February 17, 2017. He has completed his Bachelors of Engineering in Computer Engineering from the University of Mumbai and Executive Post-Graduate Diploma in Management from The Indian Institute of Management, Indore. He has an experience of more than two decades in electronics and Information Technology sector. He has been instrumental in formulating the business strategies of our Company and is entrusted with the responsibility of looking after the overall management and maintaining customer relations.</p> <p>Nationality: Indian Passport No: Z3996921 Driving License: MH03 19940001921 Voters ID: UFF3216652</p> <p>Address: 2B-113, Kalpataru Aura, LBS Marg, Ghatkopar (West) Mumbai-400086, Maharashtra, India</p> <p>For further details relating to Amit Rambhia, including terms of appointment as Chairman & Managing Director and other directorships please refer to the chapter titled “Our Management” beginning on page 172 of this Red Herring Prospectus.</p>
	<p>Nikit Rambhia, Promoter and Joint Managing Director</p> <p>Nikit Rambhia, aged 38 years is the Promoter and Joint Managing Director of our Company. He has been associated with our Company since incorporation and has been re-designated as Joint Managing Director w.e.f February 17, 2017. He has completed his Master of Marketing Management from University of Mumbai. He has an experience of more than a decade in handling operations. He manages all the operations and strategic partnerships. He also looks after planning and execution of new projects.</p> <p>Nationality: Indian Passport No: Z2863062 Driving License: MH-03 (1) 97 -1135 Voters ID: UFF3216645</p> <p>Address: 3B-134, Kalpataru Aura, LBS Marg, Ghatkopar (West) Mumbai - 400086. Maharashtra, India</p> <p>For further details relating to Nikit Rambhia, including terms of appointment as Joint Managing Director and other directorships please refer to the chapters titled “Our Management” beginning on page 172 of</p>



this Red Herring Prospectus.

DECLARATION

Our Company confirms that the Permanent Account Number, Bank Account Number and Passport Number of our Promoters have been submitted to the Stock Exchange at the time of filing of the Draft Red Herring Prospectus with it.

INTEREST OF PROMOTERS

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of its shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by them. For details regarding shareholding of our promoters in our Company, please refer “*Capital Structure*” on page 77 of this Red Herring Prospectus.

Our Promoters may also be deemed to be interested in our Company to the extent of their shareholding in our Group Companies with which our company transacts during the course of its operations.

Our Promoters are the Directors of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any and AoA of our Company. For details refer to the chapter titled “*Our Management*”, “*Financial Statements*” and “*Capital Structure*” beginning on pages 172, 198 and 77 respectively of this Red Herring Prospectus.

Except as mentioned in the chapter titled “Our Business” under “Land & Property”, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of two years before filing of this Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

For details of related party transactions entered into by our Company during last financial year with our Promoters and Group Companies, the nature of transactions and the cumulative value of transactions, see “*Related Party Transactions*” on page no 196 of this Red Herring Prospectus.

Except as stated in this chapter and “*Related Party Transactions*” and “*Our Management*” on page 196 and 172 respectively, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the filing of the Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group.

OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in the chapter titled “*Our Promoter and Our Promoter Group*” and “*Our Group Companies*” beginning on page 187 and 191 of this Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests / other interests.

RELATED PARTY TRANSACTIONS

For details of related party transactions entered into by our Promoters, members of our Promoter Group and Company during the last financial year, the nature of transactions and the cumulative value of transactions, refer chapter titled “*Related Party Transactions*” on page 196 of this Red Herring Prospectus.

PAYMENT OR BENEFITS TO PROMOTER

Except as stated otherwise in the chapter titled “*Related Party Transactions*” on page 196 of this Red Herring Prospectus, there have been no payments or benefits to the Promoters during the two years prior to filing of this Red Herring Prospectus.

OUR PROMOTER GROUP

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

A. Individuals related to our Promoter:

Relationship with Promoters	Nikit Rambhia	Amit Rambhia
Father	Devchand Rambhia	Devchand Rambhia
Mother	Jaya Rambhia	Jaya Rambhia
Brother	Amit Rambhia	Nikit Rambhia
Spouse	Kavita Rambhia	Deepa Rambhia
Son	Aditya Rambhia	Siddharth Rambhia
	Jay Rambhia	
Daughter	-	Sara Rambhia
Spouse's Father	Sunderji Savla	Vasant Vora
Spouse's Mother	Jyotsna Savla	-
Spouse's Brother	Sameer Savla Amit Savla	-
Spouse's Sister	-	Jinal Vora Shilpa Gada

B. Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

- Panache Innovations Limited
- ICT Infratech Services Private Limited
- Clevermart Private Limited
- Eddy and Andy International Limited
- Rambhia IPR Services LLP
- Rambhia Plantation LLP
- Rambhia Technologies
- Unicorn Systems
- Ace Packaging
- Ace Care
- Sunder Enterprise
- Amit Rambhia (HUF)
- Nikit Rambhia (HUF)
- Devchand Rambhia (HUF)

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Except as disclosed herein, none of our Promoter(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Promoters	Director	Relationship
Nikit Rambhia	Amit Rambhia	Brothers
Nikit Rambhia	Devchand Rambhia	Son- Father
Amit Rambhia	Devchand Rambhia	Son- Father

DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR

Our Promoters have not disassociated themselves from any entities/firms during preceding three years.

CHANGES IN CONTROL

There has been no change in the management or control of our Company in the last three years.



LITIGATION INVOLVING OUR PROMOTER

For details of legal and regulatory proceedings involving our Promoters, refer to the chapter titled "*Outstanding Litigation and Material Developments*" on page 243 of this Red Herring Prospectus.

CONFIRMATIONS

Our Company, our individual Promoter and his relatives (as defined under the Companies Act, 2013) are not Wilful Defaulters and there are no violations of securities laws committed by our Promoter in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in "*Related Party Transactions*" on page 196 of this Red Herring Prospectus, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company.

OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of “Group Companies”, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and such other companies as considered material by our Board. Pursuant to a resolution dated February 17, 2017, our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature.

For avoidance of doubt it is clarified that our subsidiaries shall not be considered as group companies.

OUR GROUP COMPANIES:

The Details of our group Companies are provided below

1. Panache Innovations Limited (PIL) (Formerly known as Ruby Traders and Exporters Limited)

Ruby Traders & Exportrs Limited is a public Limited Company incorporated on June 16, 1981 under the provisions of Companies Act, 1956 and thereafter it changed its name to Panache Innovations Limited vide Fresh Certificate on change of name dated March 23, 2017 and has its registered office at 68, Jessore Road, Diamond City Complex, Block 5, Suite No. 1E, Kolkata – 700055, West Bengal, India. The current paid up capital of RTEL is Rs. 439.00 lakhs. The Corporate Identification Number of the Company is L51100WB1981PLC033779. The Company is engaged in the business of distribution of television, consumer electronic products, IT peripherals, Electronics and Electronical equipment.

The Equity Shares of the Company are currently listed on the BSE Limited

Board of Directors as on the date of this Red Herring Prospectus:

1. Amit Rambhia
2. Jayachandran Sunderamoorthy
3. Meeta Mehta
4. Rohit Mathur

SHARE HOLDING PATTERN AS ON DECEMBER 31, 2016 IS AS FOLLOWS:

Category of Shareholder	No. of the Shareholders	No. of fully paid up Equity Shares	Total No. of Shares held	Shareholding as a % of total no. of shares	Number of Equity Shares held in dematerialized form
(A) Promoter & Promoter Group	3	13,50,100	13,50,100	30.75	13,50,100
(B) Public	517	30,39,900	30,39,900	69.25	29,53,900
(C1) Shares underlying DRs	0	0	0	0.00	0
(C2) Shares held by Employee Trust	0	0	0	0.00	0
(C) Non Promoter-Non Public	0	0	0	0.00	0
Grand Total	520	43,90,000	43,90,000	100.00	43,04,000

For further details regarding the shareholding pattern of PIL, please refer BSE website.



Financial Performance

(Rs. in lakhs)

Particulars	March 31, 2016	March 31, 2015	March 31, 2014
Equity Share Capital	439.00	439.00	439.00
Reserves and Surplus (excluding revaluation reserve if any)	81.19	17.68	12.50
Total Income	205.07	249.84	110.37
Profit / (Loss) after Tax	63.63	5.57	6.22
Earnings Per Share (Basic & Diluted) (in Rs.)	1.45	0.13	0.14
Net worth	520.19	456.68	451.50
Net Asset Value per share (in Rs.)	11.85	10.40	10.28

Mechanism for investor redressal grievance

1. The Company has a designated email id rubytraders1981@gmail.com for handling investor grievances on which investor can make a complaint. This e-mail ID is mentioned on every communication being made by the Company with the shareholders and also put on the website of the Company. Compliance Officer checks the designated investor grievances e-mail ID on a daily basis.
2. All physical complaints received are verified and scrutinized by the compliance officer and resolved / replied as per SEBI and other guidelines for Redressal of investor grievances.
3. The Company follows the practice of resolving the investor complaint as per Guidelines for Redressal of investor grievances through SEBI Complaints Redress System (SCORES) platform.
4. Status of redressal of complaints from BSE is informed to them through Letters / e-mail and if any telephonic enquiry is received from them, full details of the case and status of redressal are provided over phone.
5. Investor Complaint Report for last 3 years:

Sr No.	Particulars	No. of Complaints
1.	Pending at the beginning of last 3 years	0
2.	Received during the last 3 years	1
3.	Disposed of during the last 3 years	1
4.	Remain un-resolved as on date	0

Other Confirmations

We hereby confirm that;

1. PIL is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995;
2. No application for winding up has been filed against the company;
3. No application has been made to ROC for striking off the name of Panache Innovations Limited;
4. PIL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities;
5. PIL has not failed to meet the listing requirements of recognized stock exchange in India or abroad and no penalty, if any, including suspension of trading, has been imposed on PIL;
6. PIL's equity shares were previously listed on The Calcutta Stock Exchange Limited and The U.P. Stock Exchange Limited. However, on 12th May, 2015 the equity shares of PIL got delisted from The Calcutta Stock Exchange Limited voluntarily. Further SEBI vide order No. WTM/RKA/MRD/49/2015 dated 9th June, 2015, granted exit to The U.P. Stock Exchange Limited from being a stock exchange w.e.f 9th June, 2015.

7. PIL's equity shares are currently listed at BSE Limited only.
8. There are no adverse findings, as regards compliance with the securities laws against PIL.

Nature and Extent of Interest of Promoters

Nikit Rambhia and Amit Rambhia Promoters of our Company together holds 8,50,100 equity shares constituting 19.36% of total paidup capital of PIL. Further Amit Rambhia is also a director of PIL.

Share price Information:

The details of the monthly high and low prices on the BSE during the preceding six months are as follows:-

Month Year	Monthly Low	Monthly High
February	27.55	29.00
January, 2017	28.00	41.65
December, 2016	24.05	32.05
November, 2016	12.50	20.05
October, 2016	-	-
September, 2016	-	-

2. ICT Infratech Services Private Limited (IISPL)

ICT Infratech Services Private Limited is a Private Company originally incorporated as Panache Infotech Private Limited under the provisions of Companies Act, 1956 on March 8, 2007. The name of the Company was changed to ICT Infratech Services Private Limited received fresh Certificate of Incorporation consequent upon change of name dated July 29, 2013. The registered office of the Company is situated at Flat No.8, 161, Malhar Bhuvan, Sir Bhalchandra Road Hindu Colony, Dadar [East]-400014 Mumbai, Maharashtra, India. The current paidup capital of IISPL is Rs. 3.00 lakhs and Corporate Identification Number is U72300MH2007PTC168503. The Company is engaged in business of trading & services related to computer and computer peripherals, accessories, computer parts, etc.

Financial Performance

Amount (Rs. in lakhs)

Particulars	2015-16	2014-15	2013-14
Equity Paid Up Capital	3.00	3.00	3.00
Reserves and Surplus	1.89	3.52	3.15
Net Asset Value (In Rs.)	16.28	21.73	20.51

Nature and Extent of Interest of Promoters

Nikit Rambhia and Amit Rambhia Promoters of our Company together holds 20,000 equity shares constituting 66.67% of total paid up capital of IISPL. Further they are also the directors of IISPL.

3. Clevermart Private Limited (CPL)

Clevermart Private Limited is a Private Company incorporated on September 05, 2016 under the provisions of Companies Act, 2013 and has its registered office at Unit No. 002, Raheja Plaza-1, LBS Marg, Ghatkopar (West), Mumbai – 400086, Maharashtra, India. The Corporate Identification Number of Clevermart Private Limited is U74999MH2016PTC285510. The paid up capital of the Company is Rs. 10.00 Lakhs. The Company is authorised to carry on business in Information Technology Sector.



Financial Performance

Since the Company is incorporated in the current F.Y. 2016-17, hence there are no past financial records.

Nature and Extent of Interest of Promoters

Amit Rambhia and Nikit Rambhia Promoters of our Company together holds 33,500 equity shares constituting 33.50% total paid-up capital of CPL. Further Amit Rambhia is also the Director of the CPL.

4. Eddy and Andy International Limited (EAIL)

Eddy and Andy International Limited is a Company incorporated in Hong Kong on July 18, 2016 under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and has its registered office at 13/F WAH Kit Commercial Centre, 300 DES Voeux Road, Central Hong Kong. The paid-up capital of the EAIL is HK \$10,000. The Company shall primarily trade in IT hardware components and other machinery on global basis.

Financial Performance

Since the Company is incorporated in the current F.Y. 2016-17, hence there are no past financial records.

Nature and Extent of Interest of Promoters

Eddy & Andy International Limited is wholly own subsidiary of RTEL and the natural person promoting RTEL is Amit Rambhia and Nikit Rambhia. Further Amit Rambhia & Nikit Rambhia are also directors of EAIL

CONFIRMATION

No Equity shares of our Group Companies are listed on any stock exchange except of Panache Innovations Limited (Formerly known as Ruby Traders & Exporters Limited) (hereinafter referred as PIL) which is listed on BSE Limited. RTEL has not made any public or rights issue of securities in the preceding three years. However RTEL's equity shares were previously listed on the Calcutta Stock Exchange Limited and The U.P. Stock Exchange Limited (UPSE). However, on 12th May, 2015 the equity shares of RTEL were voluntarily delisted from The Calcutta Stock Exchange Limited. Further SEBI vide order No. WTM/RKA/MRD/49/2015 dated 9th June, 2015, granted exit to The U.P. Stock Exchange Limited from being a stock exchange w.e.f 9th June, 2015. The Company made a n application for Direct Listing pursuant to derecognition of the regional stock exchanges and was listed on BSE w.e.f. October 29, 2014.

Our group companies have confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Group Companies have been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. Further, none of our group Companies have been declared as sick companies under the SICA.

LITIGATION

For details related to litigations and regulatory proceedings involving our Group Companies and defaults made by them, please refer to the chapter titled, "*Outstanding Litigations and Material Developments*" on page 243 of this Red Herring Prospectus.

DISSOCIATION BY THE PROMOTER IN THE LAST THREE YEARS

Our Promoters have not disassociated themselves from any of the companies during the last three years preceding the date of the Red Herring Prospectus.

NEGATIVE NET WORTH

None of our Group Companies have negative net worth as on the date of their respective last audited financial statements.

DEFUNCT / STRUCK-OFF COMPANY

None of our Group Companies have become defunct or struck – off in the five years preceding the filing of this Red Herring Prospectus.

INTEREST OF OUR GROUP COMPANIES

Interest in the promotion of our Company

Our Group Companies are interested to the extent of their shareholding of Equity Shares, from time to time, for which they are entitled to receive the dividend declared, if any, by our Company. Our Individual Promoters may also benefit from holding directorship in our Company.

Interest in the properties acquired or proposed to be acquired by our Company in the past two years before filing the Red Herring Prospectus

Except as mentioned in the chapter titled “Our Business” under the heading Land & Property beginning on page 154 of this Red Herring Prospectus, none of our Group Companies have any interest in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of Red Herring Prospectus or proposed to be acquired by it.

Interest in the transactions for acquisition of land, construction of building and supply of machinery.

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

COMMON PURSUITS

Our Group companies M/s Panache Innovations Limited (formerly known as Ruby Traders & Exporters Limited), M/s ICT Infratech Services Private Limited and M/s. Eddy and Andy International Limited are authorized to carry deal in similar products as those dealt by our company. However these Companies do not have any non-compete agreements in place amongst themselves and hence there may be a conflict of interest between our Company and the said Group Companies. For associated risk factor, please refer to the section titled “Risk Factors” beginning on page 21 of the Red Herring Prospectus.

SALES/PURCHASES BETWEEN OUR COMPANY & GROUP COMPANIES

Other than as disclosed in the chapter titled “*Related Party Transactions*” on page 196 of this Red Herring Prospectus, there are no sales / purchases between the Company and the Group Companies when such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of the Company.

PAYMENT OR BENEFIT TO OUR GROUP COMPANIES

Except as stated in chapter titled “*Related Party Transactions*” beginning on page 196 of this Red Herring Prospectus, there has been no payment of benefits to our Group Companies during the nine months period ended December 31, 2016 and the financial years ended March 31, 2016, March 31, 2015, March 31, 2014 March 31, 2013 and March 31, 2012 nor is any benefit proposed to be paid to them.



RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XXXIII of restated financial statement under the section titled, “Financial Statements as restated” beginning on page 198 of this Red Herring Prospectus.

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last five years and for the nine months period ended till December 31, 2016. Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.



SECTION V – FINANCIAL STATEMENTS
FINANCIAL STATEMENTS AS RE-STATEDED

To,
The Board of Directors,
Panache Digilife Limited
(Formerly known as Vardhaman Technology Limited),
Unit No. 201/B, Raheja Plaza-1,
L.B.S. Marg, Ghatkopar West,
Mumbai – 400086

Dear Sirs,

1. We have examined the attached Restated financial information of Panache Digilife Limited (Formerly known as Vardhaman Technology Limited) (“the Company”), which comprise of the Restated Summary Statement of Assets and Liabilities as at December 31, 2016, March 31, 2016, 2015, 2014, 2013 and 2012, the Restated Summary Statement of Profit & Loss and the Restated Summary Statement of Cash Flow for each of the years / period ended on December 31, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 and the Summery of Significant Accounting Policies as approved by the Board of Directors of the Company at their meeting held on February 24, 2017 for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (IPO) and prepared in terms of the requirements of:
 - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (“ the Act”) read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules , 2014 (“the Rules”); and
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulation, 2009 as amended from time to time pursuance of provisions of Securities and Exchange Board of India Act, 1992 (“ ICDR Regulations”).

The preparation of the Restated Financial Information (Including the interim Financial Information) is the responsibility of the Management of the Company for the purpose of set out in paragraph 9 below. The Management’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated financial information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

2. We have examined such Restated Financial Information taking into consideration:
 - a. The terms of references and terms of our engagement agreed upon with you in accordance with our engagement letter dated November 24, 2016 in connection with the proposed issue of equity shared of the Company ; and
 - b. The Guidance Notes on Reports in Company Prospectuses (Revised 2016) issued by ICAI (“The Guidance Note”).
3. These Restated Financial Information have been compiled by the management from the Audited Financial Statements as at December 31 ,2016, March 31, 2016, 2015, 2014, 2013 and 2012 and for each of the years/period ended December 31 2016, March 31, 2016, 2015, 2014, 2013 and 2012 which have been approved by Board of directors at their meetings held on respectively January 07, 2017, August 27, 2016, September 02, 2015, September 6, 2014, September 6, 2013, September 1, 2012. Audited Financial Statements as at March 31, 2012, 2013 and 2014 do not contain statement of cash flow. Hence, statement of cash flow for these years are compiled from the statement of cash flow prepared by the management.

Audit for the financial years/period ended on December 31, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 was conducted by Statutory auditor, M/s. Jain Salia & Associate Chartered

Accountants, and accordingly reliance has been placed on the financial statements audited by them for the said years. Audited Financial Statements as at March 31, 2012, 2013 and 2014 do not contain statement of cash flow. Hence, reliance has been placed on the statement of cash flow prepared by the management for those years.

4. Emphasis on Matter

- a. Without qualifying our opinion and as further clarified in Note No 7 of Annexure V.1 Notes on Restated Financial Statements, we draw attention to the fact that due to practical difficulties, average rate of excise duty on closing stock is excluded from the value of inventories for respective years.
- b. Without qualifying our opinion, we draw attention to Note No 8 of Annexure IV Statement of Significant Accounting Policies, i.e. Foreign Currency Transactions occurred during the period are translated into rupees at the exchange rate prevailing on the date of respective payments or receipts. It is not consistent with AS 11 "The effects of changes in foreign Exchange Rates (Revised 2003)". However, impact of the same is not material and hence no adjustment is made in restated financial information.
- 5. In accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note, we report that:
 - a. The Restated Summary Statement of Assets and Liabilities of the Company as at December 31, 2016, and as at March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in Annexure - I to this report is after making adjustments and regrouping as in our opinion were appropriate and more fully described in "Notes on material adjustments", as set out in Annexure V.1.
 - b. The Restated Summary Statement of Profits and Losses of the Company for the nine months period ended December 31, 2016, and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in Annexure - II to this report is after making adjustments and regrouping as in our opinion were appropriate and more fully described in "Notes on material adjustments", as set out in Annexure V.1.
 - c. The Restated Summary Statement of Cash Flows of the Company for the nine months period ended December 31, 2016, and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in Annexure - III to this report is after making adjustments and regrouping as in our opinion were appropriate and more fully described in "Notes on material adjustments", as set out in Annexure V.1.
 - d. Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the reports submitted by the statutory auditors, M/s. Jain Salia & Associate, Chartered Accountants for the respective years, and in case of statement of cash flow for the years ended on March 31, 2012, 2013 and 2014 reliance has been placed on the statement of cash flow prepared by the management, we further report that the Restated Financial Information:
 - i. Have been made after their adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
 - ii. Have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
 - iii. Do not contain any extra-ordinary items that need to be disclosed separately and do not contain any qualification requiring adjustments.
 - e. We have also examined the following restated financial information of the Company set out in the Annexure prepared by the management and approved by the Board of Directors

on February 24, 2017 for the period ended December 31, 2016 and for the years ended March 31, 2016, 2015, 2014, 2013 and 2012. In respect of the years/period ended December 31, 2016, March 31, 2016, 2015, 2014, 2013 and 2012 these information have been included based upon the reports submitted by statutory auditors, M/s. Jain Salia & Associate Chartered Accountants and relied upon by us:

Annexure IV	Statement of Significant Accounting Policies
Annexure V	Notes on Restated Financial Statement
Annexure VI	Statement of Shares Capital, As Restated
Annexure VII	Statement of Reserve & Surplus, As Restated
Annexure VIII	Statement of Long Term Borrowing, As Restated
Annexure IX	Statement Deferred Tax Liabilities, As Restated
Annexure X	Statement of Other Long Term Liabilities, As Restated
Annexure XI	Statement of Long Term Provisions, As Restated
Annexure XII	Statement of Short Term Borrowings, As Restated
Annexure XIII	Statement of Trade Payables, As Restated
Annexure XIV	Statement of Other Current Liabilities, As Restated
Annexure XV	Statement of Short Term Provision, As Restated
Annexure XVI	Statement of Tangible Assets, As Restated
Annexure XVII	Statement of Intangible Assets, As Restated
Annexure XVIII	Statement of Long Term Loans and Advances, As Restated
Annexure XIX	Statement of Other Non-Current assets
Annexure XX	Statement of Inventories, As Restated
Annexure XXI	Statement of Trade Receivables, As Restated
Annexure XXII	Statement of Cash and Bank, As Restated
Annexure XXIII	Statement of Short Term Loans and Advances, As Restated
Annexure XXIV	Statement of Other Current Assets, As Restated
Annexure XXV	Statement of Revenue from Operations, As Restated
Annexure XXVI	Statement of Other Income, As Restated
Annexure XXVII	Statement of Cost of Material Consumed, As Restated
Annexure XXVIII	Statement of Purchases, As Restated
Annexure XXIX	Statement of (Increases)/ Decreases in Inventories of Finished Goods and Traded Goods, As Restated
Annexure XXX	Statement of Employee Benefit, As Restated
Annexure XXXI	Statement of Finance Cost, As Restated
Annexure XXXII	Statement Other Expenses, As Restated
Annexure XXXIII	Statement of Related Party Transaction, As Restated
Annexure XXXIV	Statement of Contingent Liabilities, As Restated
Annexure XXXV	Statement of Capitalisation, As Restated
Annexure XXXVI	Statement of Tax Shelters, As Restated
Annexure XXXVII	Statement of Accounting Ratio, As Restated

6. In our opinion, restated financial information contained in Annexure I to XXXVII accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure IV, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

7. This report should not in any way be construed as reissuance or re-dating of any of the audit reports issued by statutory auditors. Nor should this report be construed as a new opinion on any of the financial statements referred to herein.

8. We have no responsibility to update our reports events and circumstances occurring after the date of the report.
9. Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, National Stock Exchange, Registrar of Companies Mumbai, Maharashtra in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For Maharishi & Co.
Chartered Accountants
ICAI Firm Registration No.124872W

Kapil Sanghvi
Partner
Membership No. 141168

Place: Mumbai
Date: February 24, 2017

**ANNEXURE I SUMMARY OF STATEMENT OF ASSETS AND LIABILITIES, AS
RESTATEDED**

Amount (Rs in Lakhs)

Sr. No .	Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
			2016	2015	2014	2013	2012
	Equity & Liabilities:						
A.	Shareholders' Funds :						
	(a) Share Capital	30.00	30.00	30.00	30.00	30.00	30.00
	(b) Reserves & Surplus	537.20	392.89	254.71	155.56	112.52	78.13
	Sub-Total (1)	567.20	422.89	284.71	185.56	142.52	108.13
B.	Share Application Money Pending Allotment:	-	-	-	-	-	-
	Sub-Total (2)	-	-	-	-	-	-
	LIABILITIES:						
C.	Non Current Liabilities:						
	(a) Long Term Borrowings	34.49	49.71	67.31	97.42	5.38	7.97
	(b) Deferred Tax Liabilities (Net)		4.83	8.80	5.29		
	(c) Other Long Term Liabilities	14.04	14.04	-	-	-	-
	(d) Long Term Provisions	25.98	23.51	20.31	12.04	9.94	6.42
	Sub-Total (3)	74.51	92.10	96.41	114.75	15.32	14.40
D.	Current Liabilities:						
	(a) Short Term Borrowings	1,497.28	1,545.32	1,125.36	761.67	810.15	603.80
	(b) Trade Payables	1,305.40	1,025.40	732.13	419.60	551.61	276.89
	(c) Other Current Liabilities	172.62	265.71	147.55	104.90	95.86	107.86
	(d) Short Term Provisions	168.81	100.59	69.02	20.04	30.25	4.28
	Sub-Total (4)	3,144.10	2,937.02	2,074.05	1,306.21	1,487.88	992.82
	TOTAL LIABILITIES (1+2+3+4)	3,785.50	3,452.01	2,455.18	1,606.51	1,645.72	1,115.36
	ASSETS :						
E.	Non Current Assets						
	(a) Fixed Assets						
	I. Tangible Assets	330.68	330.40	326.36	337.84	95.31	106.18
	II. In Tangible Assets	1.06	1.24	0.95	1.15	1.22	0.99
	(b) Non Current Investments	-	-	-	-	-	-
	(c) Deferred Tax Assets	11.84				7.16	9.38
	(d) Long Term Loans and Advances		33.75	27.45	13.96	14.41	24.50
	(e) Other Non Current Assets	2.24	2.24	2.24	1.93	1.95	-
	Sub-Total (5)	379.57	361.33	343.51	355.33	130.14	132.88
F.	Current Assets						
	(a) Current Investment						
	(b) Inventories	790.98	1,271.54	576.66	421.09	751.83	613.97
	(c) Trade Receivables	2,398.52	1,427.15	1,359.75	701.85	596.45	278.44
	(d) Cash and Bank Balances	47.75	217.37	133.54	58.02	92.77	52.71
	(e) Loans and Advances	168.98	157.71	41.73	68.98	74.11	36.20
	(f) Other Current Assets	-	16.92	-	1.24	0.42	1.16
	Sub-Total (6)	3,406.24	3,090.68	2,111.67	1,251.18	1,515.58	982.48
	TOTAL ASSETS (5+6)	3,785.80	3,452.01	2,455.18	1,606.51	1,645.72	1,115.36

ANNEXURE II SUMMARY OF STATEMENT OF PROFIT AND LOSS, AS RESTATED
Amount (Rs. In Lakhs)

Sr. No.	Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
			2016	2015	2014	2013	2012
A.	Income						
	Revenue From Operations	3,215.84	4,914.07	3,942.85	2,450.55	2,359.16	2,303.06
	Other Income	22.41	59.29	11.76	23.79	9.20	8.78
	Total Revenue	3,238.25	4,973.35	3,954.62	2,474.34	2,368.35	2,311.83
B.	Expenses						
	Cost of Raw Material Consumed	1,103.51	3,605.57	2,842.60	1,579.37	1,358.61	1,422.25
	Purchase of Stock in Trade	1,253.86	451.86	400.51	287.89	651.98	597.35
	(Increase)/ Decreases in Inventories of Finished Goods, Work in Progress and Traded Goods	114.83	(96.49)	(81.72)	81.84	(74.84)	(13.05)
	Employee benefits expense	197.00	331.25	261.10	197.23	167.75	114.18
	Depreciation and Amortisation Expenses	11.98	14.45	17.17	10.03	6.95	5.57
	Finance Costs	144.06	175.85	173.07	129.02	95.00	76.73
	Other Expenses	189.80	280.19	190.90	125.96	112.07	107.95
	Total Expenses	3,015.04	4,762.67	3,803.63	2,411.34	2,317.51	2,310.97
C.	Profit Before Tax, as Restated	223.21	210.68	150.98	63.00	50.84	0.86
D.	Tax Expense/(Income) :						
	Current tax	95.59	76.43	48.33	7.51	13.94	7.01
	Income tax of earlier year	-	0.03	-	-	0.28	0.41
	Deferred tax Charge/(Credit)	(16.68)	(3.63)	3.50	12.45	2.43	(6.73)
	Total tax expense	78.91	72.50	51.83	19.96	16.45	0.68
	Restated Profit / (Loss) for the Period / Year Carried Forward to Summary Statement of Assets and Liabilities, as Restated	144.31	138.18	99.16	43.04	34.39	0.18
	Earning Per Share:						
	Basic & Diluted	48.10	46.06	33.05	14.35	11.46	0.06

Annexure III - Statement of Cash Flows, as restated for the period / year ended:

Amount (Rs in Lakhs)

Particulars	31st December 2016	March 31,				
		2016	2015	2014	2013	2012
A. CASH FLOW FROM OPERATING ACTIVITIES						
Net profit before taxation	223.21	210.68	150.98	63.00	50.84	0.86
Non cash adjustments to reconcile profit before tax to net cash flows						
Depreciation and amortisation expense	11.98	14.45	17.17	10.03	6.95	5.57
Finance Costs	144.06	175.85	173.07	129.02	95.00	76.73
Lease Rent	(17.99)	(4.62)	-	-	-	-
Loss/(profit) on sale/scrap of fixed assets (net)	(0.71)	-	-	(18.99)	3.13	-
Operating profit before working capital changes (as restated)	360.55	396.36	341.23	183.06	155.92	83.16
Movement in Working Capital						
(Increase)/decrease in Inventories	480.56	(694.88)	(155.56)	330.74	(137.86)	(335.07)
(Increase)/decrease in Trade Receivable	(971.38)	(67.40)	(657.90)	(105.40)	(318.02)	100.39
(Increase)/decrease in Short term loans and advances	(11.28)	(115.97)	27.25	5.13	(37.91)	(22.35)
(Increase)/decrease in other current assets	16.92	(16.92)	1.24	(0.82)	0.74	(1.16)
Increase/(decrease) in trade payables & others	280.00	293.27	312.53	(132.01)	274.72	25.26
Increase/(decrease) in Other Current Liabilities & Other Long Term Liabilities	(93.77)	130.67	43.17	(18.89)	(14.15)	84.54
Increase/(decrease) in short term and Long Term Provisions	54.01	2.52	14.01	4.62	14.51	3.63
Cash flow from operations	115.62	(72.35)	(74.03)	266.43	(62.05)	(61.51)
Direct taxes paid (including fringe benefit taxes paid) (net of refunds)	(78.92)	(44.20)	(5.09)	(20.24)	0.76	(23.85)
Net cash generated from operating activities (A)	36.70	(116.55)	(79.13)	246.78	(61.29)	(85.46)
B. CASH FLOW USED IN INVESTING ACTIVITIES						
Purchase of fixed assets, including intangible assets, capital work in progress	(11.36)	(18.79)	(5.50)	(292.00)	(2.45)	(42.57)
Proceeds from Sale of Fixed Assets	-	-	-	58.51	3.00	0.20
Increase/(Decrease) in Long Term Loans and Advances		(13.49)	0.45	10.09	(8.17)	(2.18)
Increases in Interest Receivables	-	-	-	-	-	-
Lease Rent Income	17.99	4.62	-	-	-	-

Particulars	31st December 2016	March 31,				
		2016	2015	2014	2013	2012
Net cash used in investing activities (B)	6.63	(27.65)	(5.04)	(223.41)	(7.62)	(44.55)
C. CASH FLOW FROM /(USED IN) FINANCING ACTIVITIES						
Advances for IPO	(6.30)					
Proceeds/ (Repayment) from Long Term Borrowings	(14.55)	(16.07)	(30.62)	119.96	(2.38)	7.30
Proceeds/ (Repayment) from Short Term Borrowings	(48.04)	419.96	363.70	(48.49)	206.36	194.82
Finance Costs	(144.06)	(175.85)	(173.07)	(129.02)	(95.00)	(76.73)
Net cash generated from/(used in) financing activities (C)	(212.95)	228.04	160.00	(57.55)	108.97	125.40
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(169.62)	83.84	75.83	(34.57)	40.06	(4.61)
Cash and cash equivalents at the beginning of the year	217.37	133.54	58.02	92.77	52.71	56.50
Cash and cash equivalents at the end of the year	47.75	217.37	133.54	58.20	92.77	52.71
Cash and cheques on hand	5.85	8.77	6.27	8.65	7.52	3.48
Balance with scheduled banks :						
Current & Deposit account	41.90	208.60	127.26	49.37	85.25	49.23
	47.75	217.37	133.54	58.02	92.77	52.71

Annexure IV - Significant Accounting Policies:

Corporate Information:

Panache Digilife Limited (formerly known as Vardhaman Technology Limited) was incorporated in 2007. The Company is situated at Mumbai. The Company is engaged in manufacturing / assembling & trading in computer system/accessories.

1) Significant Accounting Policies :

a) Accounting Charges:

The "Summary Statement of the Assets and Liabilities as restated " of the Company as at 31 December, 2016 and 31 March 2016, 2015, 2014, 2013 and 2012 the "Summary Statement of Profit & Loss, as restated" and "Summary Statement of Cash Flow, as restated" for the year / period ended December 31, 2016 ,31 March 2016, 2015, 2014, 2013 and 2012 (collectively referred to as "Restated Summary Statements) have been prepared specifically for the purpose of inclusion in the offer documents to be filed by the Company with Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

The Restated Summary statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the Act") / Companies Act, 1956, as applicable. The Restated Summary statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Restated Summary statements are consistent with those followed in the previous year.

The Restated Summary Statement of the Company have been prepared to comply in all material respects with the requirements of Part I of Chapter III to the Companies Act, 2013 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI, as amended from time to time.

Appropriate re-classifications/ adjustments have been made in the Restated Summary Statements wherever required, by re-classification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the audited financial statements of the Company and the requirements of the SEBI Regulations.

- b) The Company has considered its operating cycle as 12 months for the purpose of Current or Non - Current classification of Assets and Liabilities.
- c) The Restated financial statements are presented in Indian Rupees. All Previous Year figures are regrouped / reclassified, wherever necessary to conform to the figures presented in the current year.

2) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the summary statements and the results of operations during the reporting period. The Management believes that the estimates used in preparation of the summary statements are prudent and reasonable. Future result could differ from those estimates. The effects of change in accounting estimates are reflected in the financial statements in the period in which the results are known and if material, are disclosed in the summary statements.

3) Inventories:

- a) Inventories of Raw Material, Finished Goods and Traded Goods are valued at cost or Net Realisable Value whichever is lower.
- b) Cost include cost of purchase, duties and taxes and other costs incurred in bringing the inventories to their present location and condition less duty and taxes of which credit is admissible. Cost is determined on a weighted average basis.

4) Cash Flow Statement:

- a) Cash Flows are presented using indirect method, whereby profit/(loss) before extra ordinary items and tax is adjusted for the effects of transactions of non -cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.
- b) Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short term balances, highly liquid investment with maturity of 3 months or less that are readily convertible into cash.

5) Depreciation & Amortisation:

- a) Till the year ended 31st March, 2014, depreciation on tangible assets is provided as per rates prescribed under schedule XIV to the Companies Act, 1956 on Streigh Line Method. From 01st April, 2014 depreciation is provided as per useful life prescribed under the Schedule II of the Companies Act, 2013 on written down value basis.
- b) Depreciation upto 31st March, 2014 and from 01st April, 2014 is provided as per below mentioned rate / useful life.

Amount Rs. In Lakhs

Sr No	Assets Category	Useful Life (Years)	Rate of Depreciation
1	Building	30 Years	1.63%
2	Computers	3 Years	16.21%
3	Furniture & Fixtures	10 Years	6.33%
4	Plant & Machinery	15 Years	4.75%
5	Vehicle	8 Years	9.50%

- c) Intangible assets are amortised over its useful life of 10 years as estimated by the management.

6) Revenue Recognition:

- a) Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.
- b) Interest Income and Rental Income are recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- c) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

7) Fixed Assets:

- a) Tangible Fixed Assets are stated at cost less accumulated depreciation / amortisation and impairment loss, if any, except freehold land which is carried at cost. The cost of Tangible Fixed Assets comprises its purchases price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Fixed Assts are added to its book value only if they increases the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are disclosed under

Capital Work in Progress, comprising direct cost, related incidental expenses and attributable interest.

- b) All other expenses on fixed assets, including repair and maintenance expenditure and replacement expenditure of parts, are charged to Statement of Profit and Loss for the period during which such expenses are incurred
- c) Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of an asset and are recognised in the statement of profit and loss when the asset is derecognised

8) Foreign Currency Transactions:

- a) Initial Recognition:

Foreign currency transactions occurred during the year are translated into rupees at the exchange rate prevailing on the date of respective payments or receipts. It is not in consistant with AS 11 "The Effects of Changes in Foreign Exchange Rates (Revised 2003)." However for costing purpose the consistaent practice followed over the years.

- b) Conversion:

Foreign currency assets and liabilities outstanding as at the year end are restated at the axchange rate prevailing as at close of the financial year.

- c) Exchange Differences:

All exchange differences arising of transactions / settlement of foreign currency monetary items are recognized as income or as expenses in the period in which they arise.

9) Employee Benefits:

- a) Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contributions payable to the provident fund scheme as an expenditure, when an employee renders the related services.
- b) The Company has defined benefit plans for its employees, viz., gratuity. The cost of providing benefits under this plans are determined on the basis of actuarial valuation at each year end. Actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for defined benefit plans are recognised in full in the period in which they occurs in the statement of profit and loss.

10) Borrowing Costs:

- a) Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowings.
- b) Borrowing costs directly attributable to the construction of an asset that necessarily take a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All of there borrowing costs are expensed in the period they are incurred.

11) Earning Per Share:

Basic earnings per share is calculated by dividing the net profit/ loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by weighted average number of equity shares outstanding during the year.

12) Taxation:

Provision for tax comprises of current and deferred tax. Provision is made on the basis of reliefs and deductions available under relevant tax laws. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward for timing differences of items other than unabsorbed depreciation and accumulated losses only to the extent that there is a reasonable certainty that the assets can be realised in future.

However, if there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed as at each balance sheet date for their reliability.

13) Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

14) Provision, Contingent Liabilities and Contingent Assets:

- a) Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates reviewed at each reporting date and adjusted to reflect the current best estimate
- b) Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are not recognised in the financial statements.

1. Notes on Material Adjustment

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the profit & losses of the company.

(Amount Rs. in Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
A. Net Profit / (Loss) after tax as per audited statement of profit & loss	182.70	156.02	103.40	43.04	31.17	19.23
Surplus in statement of Profit & Loss as per audited statements of assets & liabilities						
B. Adjustments						
Gratuity	(2.99)	(3.46)	(9.31)	(2.31)	(3.74)	(1.82)
Interest on Buyer's Credit	0.49	0.89	(0.90)	0.70	(1.18)	-

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Impact of change in accounting for Excise / Service Tax	(73.30)	68.61	(0.66)	(41.82)	26.01	17.12
Impact of change in accounting for VAT	(1.45)	(3.10)	2.19	(7.28)	7.91	1.72
SAD Refund	-	1.04	(1.04)	-	-	-
Reimbursement of Promotional Expenses	(16.90)	16.90				
Excise Duty on Closing Stock	35.28	(106.53)	5.58	47.74	(33.30)	(35.46)
Research & Development Expenses					9.10	(9.10)
Change in Depreciation	(0.17)	0.39	2.67			
Interest on Income Tax	1.39	(1.39)	-			
MAT Credit Entitlement			(5.19)	5.19		
Tax impact of adjustments on Deferred Tax	19.28	8.80	2.41	(2.20)	(1.59)	8.49
Total adjustments	(38.38)	(17.84)	(4.24)	0.00	3.21	(19.05)
Net Profit / (Loss) after tax as restated (A + B)	144.31	138.18	99.15	43.04	34.39	0.18
Surplus in statement of Profit & Loss, as restated (A+B)						

Note

1. Provision for Gratuity

Company has not recognised gratuity liability as per actuarial valuation as required by Accounting Standard 15 for the financial years 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015, 31 March 2016 and for the period ended 31 December, 2016. Hence, company has obtained actuarial valuation from valuer and effect of the same is given in respective years/ period.

2. Interest on Buyer's Credit

Company has not provided for interest on buyer's credit on accrual basis. Hence, provision for the same is made and effect is given in respective years.

3. Change in Accounting for Excise / Service Tax

Upto 31 March, 2016 company has recorded purchase and sales inclusive of excise duty/ service tax, which is not in accordance with the generally accepted accounting principles and hence, excise/ service tax on purchase and sales is eliminated and effect of the same is given in respective years.

4. Change in Accounting for VAT / Sales Tax

Company has recorded purchase and sales inclusive of VAT/ Sales Tax, which is not in accordance with the generally accepted accounting principles and hence, VAT / Sales Tax on purchase and sales is eliminated and effect of the same is given in respective years.

5. SAD Refund

SAD refund rejected is considered in the year in which it is accounted as income.

6. Reimbursement of Promotional Expenses

Reimbursement received from supplier for promotional expenses is considered in the year in which promotional expenses are incurred.

7. Excise Duty on Closing Stock

Closing stock of raw material and finished goods is valued at the rate inclusive of excise duty. In restated summary statement closing stock is valued at the rate exclusive of excise duty and effect of the same is given in respective years. However on account of practical difficulty in valuation of excise duty on closing stock, the average rate of excise duty has been reduced from the value of inventories of respective years.

8. Research and Development Expenses

Research and development expenses is expensed out in the year in which it is incurred.

9. Change in Depreciation

In case of vehicles depreciation is not provided as per useful life given in the Schedule II of the Companies Act, 2013. Hence, depreciation is recalculated and effect the same is given in respective years.

10. Interest on Income Tax

Interest on Income Tax is recognised in the year in which it pertains.

11. MAT Credit Entitlement

MAT Credit Entitlement is not recognised in the FY 13-14. Hence, effect of the same is given in respective years.

12. Tax Impact of adjustment on Deferred Tax

Tax expenses is recalculated after considering the adjustment as above and effect of the same is given in respective years.

2. Remunerations to Statutory Auditors :

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Statutory Auditors	-	2,50,000	2,25,000	1,80,000	1,15,000	51,000
Total	-	2,50,000	2,25,000	1,80,000	1,15,000	51,000

3. Transactions in Foreign Currency

a) Expenditure in Foreign Exchange

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
For Import Goods	1,017.60	1,833.37	937.40	477.96	678.40	818.19
For Expenses	0.62	2.23		5.26	2.58	1.24
For Interest	17.13	29.36	27.48	19.75	5.20	0.67

b) Earnings in Foreign Currency

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
For Export Sales	24.03	35.43	19.14	69.28	261.09	172.25
For Export Services		2.49				13.48

4. Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The Following table summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Amount in Balance Sheet:-						
Defined Benefit Obligation (DBO)	29.25	26.26	22.79	13.49	11.18	7.44
Less: Funded Assets (if any)	-	-	-	-	-	-
Liability/ (Asset) recognised in the Balance Sheet	29.25	26.26	22.79	13.49	11.18	7.44
Amount Recognised in the statement of Profit & Loss:-						
Current Service Cost	3.92	5.54	4.89	3.42	3.28	2.33
Interest Cost	1.38	1.76	1.08	1.01	0.62	0.49
Net Actuarial Losses / (Gains)	(2.31)	(3.83)	3.33	(2.12)	(0.16)	(1.00)
Total Expenses/ (income) included in "Employee Benefit Expenses"	2.99	3.46	9.31	2.31	3.74	1.82
Change in Present Value of Benefit Obligation during the Period:-						
Defined Benefit Obligation, Beginning of Period	26.26	22.79	13.49	11.18	7.44	5.62
Current Service Cost	3.92	5.54	4.89	3.42	3.28	2.33
Interest Cost	1.38	1.76	1.08	1.01	0.62	0.49
Actuarial (Gains)/ Losses	(2.31)	(3.83)	3.33	(2.12)	(0.16)	(1.00)
Actual Benefit Paid	-	-	-	-	-	-
Defined Benefit Obligation, End of Period	29.25	26.26	22.79	13.49	11.18	7.44
Details of experience adjustment on plan assets						

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
and liabilities						
Adjustment on Plan Assets	-	-	-	-	-	-
Adjustment on Plan Liabilities	(3.07)	(3.12)	1.93	0.21	(0.07)	-
Bifurcation of Present Value of Benefit Obligation						
Current	3.27	2.74	2.49	1.45	1.24	1.01
Non Current	25.98	23.51	20.31	12.04	9.94	6.42
Total	29.25	26.26	22.79	13.49	11.18	7.44

The Principal assumptions used in determining gratuity benefit obligations for the company's plan are as below:

Discount Rate	7.05%	7.75%	7.80%	9.20%	8.20%	8.70%
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The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand of the employment market.

5. Outstanding balances as at December 31 2016, March 31, 2016, 2015, 2014, 2013 and 2012 of borrowings, current and non current liabilities and assets including trade payables, trade receivables are subject to confirmation.

ANNEXURE VI

STATEMENT OF SHARE CAPITAL AS RESTATED :

Amount (Rs. in Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Authorised:						
Equity shares of Rs. 10/- each						
No of Shares (In lacs)	70.00	5.00	5.00	5.00	5.00	5.00
Amount	700.00	50.00	50.00	50.00	50.00	50.00
Issued, subscribed & fully paid up:						
No of Shares (In lacs)	3.00	3.00	3.00	3.00	3.00	3.00
Amount	30.00	30.00	30.00	30.00	30.00	30.00
Total	30.00	30.00	30.00	30.00	30.00	30.00

a) RECONCILIATION OF NUMBER OF SHARES

(Amount Rs. in Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Equity shares outstanding at the beginning of the year	3.00	3.00	3.00	3.00	3.00	3.00
Equity shares outstanding at the end of the year	3.00	3.00	3.00	3.00	3.00	3.00

b) TERMS / RIGHTS ATTACHED TO EQUITY SHARES

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual 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 distribution of all distribution of all preferential shares amounts, if any. The distributions will be in proportion to the numbers of equity shares held by the shareholders.

c) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company.

Name of Share Holder	31st December, 2016		31st March, 2016		31st March, 2015	
	No. of Shares	Percentage	No. of Shares	Percentage	No. of Shares	Percentage
Amit D Rambhia	1,00,000	33.33%	1,00,000	33.33%	1,00,000	33.33%
Nikit D Rambhia	1,00,000	33.33%	1,00,000	33.33%	1,00,000	33.33%
Devchand L Rambhia	99,970	33.32%	99,990	33.33%	99,990	33.33%

Name of Share Holder	31st March, 2014		31st March, 2013		31st March, 2012	
	No. of Shares	Percentage	No. of Shares	Percentage	No. of Shares	Percentage
Amit D Rambhia	1,00,000	33.33%	1,00,000	33.33%	1,00,000	33.33%
Nikit D Rambhia	1,00,000	33.33%	1,00,000	33.33%	1,00,000	33.33%
Devchand L Rambhia	99,990	33.33%	99,990	33.33%	99,990	33.33%

All the equity shares ranking pari-passu in all respect for e.g. voting rights, dividend rights, winding-up rights, etc.

DETAILS OF RESTATED RESERVES & SURPLUS
ANNEXURE VII
Amount (Rs in Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
<u>Surplus in statement of Profit & Loss</u>						
Opening Balance	392.89	254.71	155.56	112.52	78.13	77.95
Add: Profit for the year/ period	144.31	138.18	99.16	43.04	34.39	0.18
Total	537.20	392.89	254.71	155.56	112.52	78.13

DETAILS OF LONG TERM BORROWINGS AS RESTATED:
ANNEXURE-VIII
Amount (Rs in Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Secured						
<u>Term Loan</u>						
From Bank	16.90	38.05	66.25	94.45	-	-
<u>Vehicle Loan</u>						
Vehicle Loan A	-	-	-	-	0.76	1.92
Vehicle Loan B	9.64	11.66	-	-	-	-
Vehicle Loan C	7.94	-	-	-	-	-
Vehicle Loan D	-	-	1.06	2.97	4.62	6.05
Total	34.49	49.71	67.31	97.42	5.38	7.97

Term Loan from Bank

1. It is Repayable in 53 EMI of Rs. 2,35,000/- commencing from February 2014 and Last Instalments of Rs. 45,000/-
2. It is Secured by Equitable Mortgage of Office Premises situated at Unit no 2 , Raheja Plaza - 1 , Opp. R City Mall, LBS Marg, Ghatkopar West, Mumbai 400 086.
3. It is also secured by personal guarantee of the directors of the company.
4. Interest Rate is Base Rate + 3.50 %.

Vehicle Loan - A

1. It is repayable in 60 EMI of Rs. 11,562/- commencing from 29/09/2009.
2. It is secured against Vehicle financed.
3. Rate of Interest is 8.05 %

Vehicle Loan - B

1. It is repayable in 60 EMI of Rs. 30,823/- commencing from January 2016
2. It is secured against Vehicle financed.
3. Rate of Interest is 9.36 %

Vehicle Loan - C

1. It is repayable in 60 EMI of Rs. 20,730/- commencing from 05/12/2016.
2. It is secured against Vehicle financed.
3. Rate of Interest is 10.10%

Vehicle Loan - D

1. It is repayable in 60 EMI of Rs. 18,400/- commencing from October 2011.
2. It is secured against Vehicle Finance.
3. Rate of Interest is 14.30 %

Annexure IX Statement of Deferred Tax Liabilities/(Assets) (Net) as Restated :

Amount Rs. In Lakhs

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Deferred Tax Liability on difference of WDV of assets as per Income Tax and as per books of accounts	33.01	30.28	25.09	19.86	6.49	5.75
Deferred Tax Asset on Gratuity	(9.67)	(8.68)	(7.40)	(4.17)	(3.45)	(2.30)
Deferred Tax Liability/ (Asset) on Excise and VAT Adjustments	(1.34)	23.37	1.68	1.13	16.30	5.82
Deferred Tax Liability/ (Asset) on provision for interest on Buyer's Credit	-	(0.16)	(0.45)	(0.15)	(0.36)	-
Deferred Tax Asset on exclusion of excise duty on closing stock	(33.84)	(45.57)	(10.13)	(11.38)	(26.13)	(15.84)
Deferred Tax Asset on Research & development expenses						(2.81)
Deferred Tax Liability on Provision for reimbursement of Expenses	-	5.59	-	-	-	-
Total	(11.84)	4.83	8.80	5.29	(7.16)	(9.38)

Annexure X Statement of Other Long Term Liabilities as Restated :

(Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Rental Deposits	14.04	14.04	-	-	-	-
Total	14.04	14.04	-	-	-	-

Annexure XI Statement of Long Term Provision as Restated :

Amount (Rs. in Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Gratuity	25.98	23.51	20.31	12.04	9.94	6.42
Total	25.98	23.51	20.31	12.04	9.94	6.42

Annexure XII Statement of Short Term Borrowings as Restated:
(Amount (Rs. in Lakhs))

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Secured						
Cash Credit						
Canara Bank	595.18	580.39	354.67	330.90	350.18	174.15
Buyer Credit						
Canara Bank	-	298.88	128.61	150.32	134.28	151.81
Kotak Mahindra Bank	-	38.38	39.04	-	-	-
Unsecured						
From Promoters	442.45	309.42	558.05	112.00	116.81	151.31
From Promoters Group	-	-	-	61.45	83.88	51.53
From Shareholders				62.00	75.00	75.00
Inter - Corporate Deposits	459.65	318.25	45.00	45.00	50.00	-
Total	1,497.28	1,545.32	1,125.36	761.67	810.15	603.80

Cash Credit

1. It is secured hypothecation against Stock, Debtors and Entire Books Debts of the Company.
2. It is Secured by Equitable Mortgage of Office Premises situated at Unit no 2 , Raheja Plaza - 1 , Opp. R City Mall, LBS Marg, Ghatkopar West, Mumbai 400 086.
3. It is also secured by personal guarantee of the directors of the company.
4. Rate of Interest is MCLR + 3.50 %
5. It is Repayable on Demand

Buyer Credit

1. It is secured hypothecation against Stock, Debtors and Entire Books Debts of the Company.
2. Rate of Interest is as determined between company and lender bank from time to time.
3. It is repayable within 90 to 180 days.

Unsecured Loan from promoters and promoters group

1. It is repayable on demand
2. Interest Rate is 9 % - 15% p.a.

Inter Corporate Deposit

1. It is repayable on demand
2. Interest Rate is 9 % - 15% p.a.

Annexure XIII Statement of Trade Payables as Restated:
(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Trade Payable as defined under The Micro Small and Medium Enterprise Act, 2006	115.36	271.47	73.18	10.99	82.78	80.65
Others	1,190.03	753.92	658.95	408.61	468.83	196.24
Total	1,305.40	1,025.40	732.13	419.60	551.61	276.89

Annexure XIV Statement of Other Current Liabilities as Restated:
(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Advance from customers	75.08	211.87	41.05	52.27	69.09	80.55
Current maturities of long term debt	32.20	31.53	30.00	30.51	2.59	2.38
Statutory Dues	36.46	13.13	58.06	7.88	17.39	24.03
Others	28.88	9.18	18.43	14.23	6.79	0.90
Total	172.62	265.71	147.55	104.90	95.86	107.86

Annexure XV Statement of Short Term Provision as Restated :
(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Provision for Employee Benefit	17.69	20.07	19.18	15.09	10.00	1.41
Provision for Income Tax	94.42	77.75	45.49	2.26	14.99	0.00
Others Expenses	56.69	2.77	4.35	2.70	5.27	2.86
Total	168.81	100.59	69.02	20.04	30.25	4.28

Annexure XVI Statement of Fixed Assets as Restated:
Amount Rs. in Lakhs

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Building						
Cost						
Opening Balance	278.03	278.03	278.03	32.98	32.98	32.98
Addition during the year	0.00	0.00	0.00	278.03	0.00	0.00
Deduction during the year	0.00	0.00	0.00	32.98	0.00	0.00
Closing Balance	278.03	278.03	278.03	278.03	32.98	32.98
Depreciation						
Opening Balance	12.33	7.93	3.53	2.34	1.80	1.26
Addition during the year	3.31	4.40	4.40	3.71	0.54	0.54
Deduction during the year	0.00	0.00	0.00	2.52	0.00	0.00
Closing Balance	15.64	12.33	7.93	3.53	2.34	1.80
Closing Balance of Block	262.39	265.70	270.10	274.50	30.64	31.18

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Furniture & Fixtures						
Cost						
Opening Balance	17.59	17.42	17.42	19.16	19.05	13.75
Addition during the year	0.36	0.17	0.00	9.44	0.11	5.30
Deduction during the year	0.00	0.00	0.00	11.18	0.00	0.00
Closing Balance	17.95	17.59	17.42	17.42	19.16	19.05
Depreciation						
Opening Balance	5.82	3.99	2.16	3.71	2.50	1.47
Addition during the year	1.38	1.83	1.83	1.28	1.21	1.03
Deduction during the year	0.00	0.00	0.00	2.83	0.00	0.00
Closing Balance	7.20	5.82	3.99	2.16	3.71	2.50
Closing Balance of Block	10.75	11.77	13.43	15.26	15.45	16.55

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Plant & Machinery						
Cost						
Opening Balance	31.26	30.71	27.76	27.15	26.82	3.64
Addition during the year	0.00	0.55	2.95	0.61	0.33	23.18
Deduction during the year	0.00	0.00	0.00	0.00	0.00	0.00
Closing Balance	31.26	31.26	30.71	27.76	27.15	26.82
Depreciation						
Opening Balance	7.71	5.50	3.48	2.19	0.92	0.33
Addition during the year	1.69	2.21	2.02	1.29	1.27	0.59
Deduction during the year	0.00	0.00	0.00	0.00	0.00	0.00
Closing Balance	9.40	7.71	5.50	3.48	2.19	0.92
Closing Balance of Block	21.86	23.55	25.21	24.28	24.96	25.90

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Office Equipment						
Cost						
Opening Balance	13.59	11.28	9.31	6.21	6.21	4.26
Addition during the year	0.94	2.31	1.97	3.10	0.00	1.95
Deduction during the year	0.00	0.00	0.00	0.00	0.00	0.00
Closing Balance	14.53	13.59	11.28	9.31	6.21	6.21

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Depreciation						
Opening Balance	7.29	5.61	1.47	1.04	0.74	0.50
Addition during the year	1.24	1.68	4.14	0.43	0.30	0.24
Deduction during the year	0.00	0.00	0.00	0.00	0.00	0.00
Closing Balance	8.53	7.29	5.61	1.47	1.04	0.74
Closing Balance of Block	6.00	6.30	5.67	7.84	5.17	5.47

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Vehicles						
Cost						
Opening Balance	36.22	21.09	21.09	21.09	29.02	18.09
Addition during the year	12.57	15.13	0.00	0.00	0.00	10.93
Deduction during the year	10.93	0.00	0.00	0.00	7.93	0.00
Closing Balance	37.86	36.22	21.09	21.09	21.09	29.02
Depreciation						
Opening Balance	13.89	10.46	7.52	5.52	4.90	2.61
Addition during the year	3.87	3.44	2.94	2.00	2.42	2.29
Deduction during the year	8.64	0.00	0.00	0.00	1.80	0.00
Closing Balance	9.12	13.89	10.46	7.52	5.52	4.90
Closing Balance of Block	28.74	22.33	10.63	13.57	15.57	24.12

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Computer System						
Cost						
Opening Balance	8.35	8.24	7.66	7.53	5.83	4.54
Addition during the year	0.49	0.11	0.58	0.13	1.70	1.29
Deduction during the year	0.00	0.00	0.00	0.00	0.00	0.00
Closing Balance	8.84	8.35	8.24	7.66	7.53	5.83
Depreciation						
Opening Balance	7.59	6.91	5.27	4.01	2.87	2.04
Addition during the year	0.31	0.68	1.64	1.26	1.14	0.83
Deduction during the year	0.00	0.00	0.00	0.00	0.00	0.00
Closing Balance	7.90	7.59	6.91	5.27	4.01	2.87
Closing Balance of Block	0.94	0.76	1.33	2.39	3.52	2.96

Annexure XVII Statement of Intangible Assets as Restated :

(Amount Rs. in Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Intangible Assets						
Opening Balance	1.95	1.45	1.45	1.45	1.15	1.27
Addition during the year	0.00	0.50	0.00	0.00	0.30	0.13
Deduction during the year	0.00	0.00	0.00	0.00	0.00	0.25
Closing Balance	1.95	1.95	1.45	1.45	1.45	1.15
Depreciation						
Opening Balance	0.70	0.50	0.30	0.23	0.16	0.12
Addition during the year	0.19	0.20	0.20	0.07	0.07	0.05
Deduction during the year	0.00	0.00	0.00	0.00	0.00	0.01
Closing Balance	0.89	0.70	0.50	0.30	0.23	0.16
Closing Balance of Block	1.06	1.25	0.95	1.15	1.22	0.99

Annexure XVIII Statement of Long Term Loans and Advances as Restated :

(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Unsecured, Consider Goods						
Capital Advances	16.30	10.00	10.00	10.00	20.00	10.00
Security Deposit	17.45	17.45	3.96	4.41	4.50	6.33
Total	33.75	27.45	13.96	14.41	24.50	16.33

Annexure XIX Statement of Other Non Current assets as Restated :

(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Balance With Govt Authority	2.24	2.24	2.24	1.93	1.95	-
Total	2.24	2.24	2.24	1.93	1.95	-

Annexure XX Statement of Inventories as Restated :

(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Raw Material	644.99	1010.72	412.34	338.49	587.40	524.37
Finished Goods	121.82	214.85	134.86	66.40	153.89	57.06

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Traded Goods	24.17	45.97	29.46	16.20	10.55	32.54
Total	790.98	1271.54	576.66	421.09	751.83	613.97

Annexure XXI Statement of Trade Receivables as Restated:-
(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Unsecured, Consider Good						
Outstanding for a period exceeding six months	289.93	127.52	81.55	78.28	24.41	3.04
Others	2108.60	1299.62	1278.19	623.57	572.05	275.39
Due From Non- Executive Directors		-	-	-	-	-
Due From Officers		-	-	-	-	-
Due From Non- Executive Directors and Officers		-	-	-	-	-
Dues From Company in which the company's director is director		-	-	-	-	-
Due from a company in which the company's non-executive director is a director		-	-	-	-	-
Unsecured, Consider doubtful		-	-	-	-	-
Less: Provision for doubtful debts		-	-	-	-	-
Other Debts		-	-	-	-	-
Unsecured, Considered Good		-	-	-	-	-
Total	2398.52	1427.15	1359.75	701.85	596.45	278.44

Annexure XXII Statement of Cash and Bank Balances as Restated:
(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Cash on Hand	5.85	8.77	6.27	8.65	7.52	3.48
Balances with banks						
Fixed Deposit	39.76	160.94	124.93	47.70	78.89	46.00
In Current Accounts	2.14	47.66	2.33	1.67	6.36	3.23

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Total	47.75	217.37	133.54	58.02	92.77	52.71

Annexure XXIII Statement of Loans and Advances as Restated :
(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
<u>Unsecured, Considered Good</u>						
Loans and Advances to related parties	-	-	-	-	-	-
<u>Other Loans and Advances</u>						
Balance with Revenue Authorities	12.62	92.34	7.04	11.23	48.76	23.65
Advances to Suppliers	127.63	53.15	30.04	51.97	18.92	10.08
Others	17.02	8.45	4.03	3.72	4.27	0.89
Due From Non-Executive Directors	-	-	-	-	-	-
Due From Officers		-	-	-	-	-
Due from associate company	-	-	-	-	-	-
Due From Non-Executive Directors and Officers	-	-	-	-	-	-
Dues From Company in which the company's director is director	-	-	-	-	-	-
Due from a company in which the company's non-executive director is a director	-	-	-	-	-	-
Loans and Advances to employee	11.71	3.77	0.62	2.07	2.17	1.58
Total	168.98	157.71	41.73	68.98	74.11	36.20

Annexure XXIV Statement of Other Current Assets as Restated :
(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Others	0.00	16.92	0.00	1.24	0.42	1.16
Total	0.00	16.92	0.00	1.24	0.42	1.16

Annexure XXV Statement of Revenue from Operation as Restated:
(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Revenue From Sales						
Sales of Manufactured Goods	1,471.82	4,404.36	3,409.95	1,953.04	1,666.12	1,593.74
Sales of Traded Goods	1,696.43	478.05	508.70	450.91	688.37	692.10
Revenue From Services	46.59	30.83	14.17	34.42	-	12.97
Other Operating Revenue	1.01	0.83	10.03	12.17	4.67	4.25
Total	3,215.84	4,914.07	3,942.85	2,450.55	2,359.16	2,303.06

Annexure XXVI Statement of Other Income as Restated :
(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Other Income	22.41	59.29	11.76	23.79	9.20	8.78
Net Profit before tax as restated	223.21	210.68	150.98	63.00	50.84	0.86
Percentage	10.04%	28.14%	7.79%	37.76%	18.09%	1016.75%
Source of Income						
Recurring and not related to business activity						
Interest Income	3.44	48.64	10.49	4.80	4.13	4.20
Rent Income	17.99	4.62	0.00	0.00	0.00	0.00
Non recurring but related to business activity						
Other Income	0.27	6.02	1.28	0.00	5.06	4.57
Profit From Sale of Assets	0.71	0.00	0.00	18.99	0.00	0.00
Total Other Income	22.41	59.29	11.76	23.79	9.20	8.78

Annexure XXVII Statement of Cost of Material Consumed
(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
(A) Opening Stock	1,010.72	412.34	338.49	587.40	524.37	202.36
(B) Purchase	737.78	4,203.96	2,916.44	1,330.47	1,421.63	1,744.26
(C) Closing Stock	644.99	1,010.72	412.34	338.49	587.40	524.37
Total (A+B-C)	1,103.51	3,605.57	2,842.60	1,579.37	1,358.61	1,422.25

Annexure XXVIII Statement of Purchase of traded goods as Restated :
(Amount Rs. In Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Purchases	1,253.86	451.86	400.51	287.89	651.98	597.35
Total	1253.86	451.86	400.51	287.89	651.98	597.35

Annexure XXIX Statement of (Increase)/ Decreases in Inventories of Finished Goods and Traded Goods as Restated:
Amount Rs. In Lakhs

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Opening Inventories						
Finished Goods	45.97	29.46	16.20	10.55	32.54	0.53
Traded Goods	214.85	134.86	66.40	153.89	57.06	76.01
(A)	260.81	164.32	82.60	164.44	89.60	76.54
Closing Inventories						
Finished Goods	24.17	45.97	29.46	16.20	10.55	32.54
Traded Goods	121.82	214.85	134.86	66.40	153.89	57.06
(B)	145.99	260.81	164.32	82.60	164.44	89.60
Change in Inventory	114.83	(96.49)	(81.72)	81.84	(74.84)	(13.05)

Annexure XXX Statement of Employee Benefit Expenses as Restated :
Amount Rs. In Lakhs

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Salary, Wages & Bonus	188.92	322.59	248.36	192.76	161.75	110.64
Contribution to Provident and Other Funds	0.99	2.06	1.21	0.36	0.53	0.55
Gratuity Expenses	2.99	3.46	9.31	2.31	3.74	1.82
Staff Welfare Expenses	4.10	3.13	2.22	1.80	1.73	1.17
Total Employee Benefit Expenses	197.00	331.25	261.10	197.23	167.75	114.18

Annexure XXXI Statement of Finance Cost as Restated :
Amount Rs. In Lakhs

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Interest on Term Loan	6.59	11.99	15.58	15.25	1.21	1.54

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Interest on Working Capital	74.09	76.31	65.21	52.92	42.55	41.00
Interest on Unsecured Loan	55.90	67.65	68.30	45.80	42.28	30.40
Other Interest	3.67	8.74	7.43	1.91	2.33	0.08
Other Borrowing Cost	3.81	11.16	16.55	13.14	6.62	3.70
Total	144.06	175.85	173.07	129.02	95.00	76.73

Annexure XXXII Statement of Other Expenses as Restated :

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Advertising And Sales Promotion	23.55	29.10	14.21	4.33	1.02	1.66
Communication Cost	2.31	4.59	4.61	3.90	3.82	2.88
Foreign Exchange Loss	12.66	1.96	3.82	12.67	22.25	-
Freight And Forwarding Charges	8.59	17.76	27.07	13.32	11.20	10.95
Insurance	3.59	4.83	3.79	4.08	3.30	3.08
Legal & Consultation Charges	23.85	41.88	8.74	5.40	3.20	8.82
Operating Expenses	20.73	54.79	36.18	10.07	8.27	19.05
Misc Expenses	3.16	1.31	2.83	1.82	5.68	1.80
Power and Fuel	6.07	5.34	4.48	3.76	2.95	2.43
Rates And Taxes	25.30	60.53	25.75	20.43	0.91	25.24
Rent Expense	36.87	29.86	17.64	19.85	24.13	16.53
Repairs And Maintenance Others	5.28	3.96	5.97	4.16	1.03	1.10
Travelling And Conveyance	17.85	24.28	35.81	22.16	24.32	14.41
Total Other Expenses	189.80	280.19	190.90	125.96	112.07	107.95

Annexure XXXIII Statement of Related Party Transactions as Restated :
(Amount Rs. In Lakhs)

Name of Party	Nature of Transaction	For the period ended Dec 31 2016	For the Year Ending 31st March				
			2016	2015	2014	2013	2012
Key Managerial Personnel							
Amit D Rambhia	Remuneration	13.50	18.00	18.00	18.00	18.00	15.00
	Interest on Loan	6.89	9.94				0.05
	Reimbursement of Expenses	3.54	3.24	6.22	-	-	-
Devchand Rambhia	Remuneration	6.75	9.00	9.00	6.00	6.00	5.10
	Interest on Loan	8.46	12.72	-	-	-	0.01
	Reimbursement of Expenses	0.22	1.18	0.84	-	-	-
Nikit D Rambhia	Remuneration	13.50	18.00	18.00	18.00	18.00	15.00
	Interest on Loan	9.90	17.97	26.94	17.26	16.95	16.64
	Reimbursement of Expenses	0.45	3.07	2.69	-	-	-
Relatives of Key Managerial Personnel							
Deepa Amit Rambhia	Salary	6.75	9.00	9.00	9.00	9.00	9.00
	Interest on Loan	-	-	-	-	-	0.01
Deepa Pravin Rambhia	Interest on Loan	-	-	0.12	0.12	0.12	0.12
Kavita N Rambhia	Salary	6.75	9.00	9.00	6.00	6.00	5.50
	Interest on Loan	-	-	-	-	-	0.17
Iflash Innovative SSD Technologies Pvt Ltd.	Purchase	-	3.88	16.19	-	-	-
	Sales	-	15.61	11.25	-	-	-
ICT Infratech Service Pvt Ltd.	Purchase	4.95	2.90	25.34	3.94	-	11.93
	Sales	100.90	12.14	31.91	9.46	0.43	129.81
	Reimbursement of Expenses	-	-	-	0.13	0.40	-
Nikit D Rambhia (HUF)	Interest on Loan	-	-	0.72	0.76	0.15	-
Devchand Rambhia (HUF)	Interest on Loan	-	-	27.03	11.43	15.99	3.09
Amit D Rambhia (HUF)	Interest on Loan	-	-	0.20	-	0.08	-

Balance Outstanding as at End

Name of Party	For the period ended Dec 31 2016	For the Year Ending 31st March					
		2016	2015	2014	2013	2012	
Short Term Borrowing							
Key Managerial Personal							
Amit D Rambhia	124.58	-	159.55	-	-	-	
Devchand L Rambhia	180.15	145.20	152.00	-	-	-	
Nikit D. Rambhia	137.72	164.22	246.50	112.00	116.81	151.31	
Relatives of Key Managerial Personal							
Amit D Rambhia - HUF	-	-	-	-	3.95	1.00	
Nikit D Rambhia - HUF	-	-	-	5.30	4.70	-	
Deepa R Rambhia	-	-	-	1.00	1.00	-	
Devchand Rambhia HUF	-	-	-	55.15	74.23	50.53	
Total	442.45	309.42	558.05	173.45	200.69	202.84	



Annexure XXXIV Statement of Contingent Liabilities as Restated :

(Amount Rs. in Lakhs)

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Income Tax	0.13	-	-	-	-	-
Total	0.13	-	-	-	-	-

Annexure XXXV Statement of Capitalisation as Restated:

(Amount Rs. In Lakhs)

Particular	Pre Issue	Post Issue	As Adjusted for Issue
Debt			
Long Term Debt (including current maturity)	66.69	[●]	[●]
Short Term Debt	1497.28	[●]	[●]
Total Debts (A)	1563.97	-	[●]
Equity (shareholders' funds)			
Equity Share Capital	420.00	[●]	[●]
Reserve and surplus	147.20	[●]	[●]
Total Equity (B)	567.20	-	[●]
Long Term Debt / Equity Shareholders' funds	0.12	[●]	[●]
Total Debt / Equity Shareholders' funds	2.76	[●]	[●]

Note:- Since 31st December, 2016 (which is last date as of which financial information has been prepared) share capital was increased from Rs. 30 lacs to Rs. 420 lacs by allotment of bonus shares in the ratio of 13 shares for every 1 share vide resolution of board of directors dated 24th January, 2017.

Annexure XXXVI Statement of Tax Shelters as Restated:

Amount Rs. in Lakhs

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Normal Corporate Tax Rates for Business Income	33.06%	33.06%	32.45%	30.90%	30.90%	30.90%
MAT Rates	19.06%	19.06%	19.06%	19.06%	19.06%	19.06%
Profit before tax as per restated profit/loss	223.21	210.68	150.98	63.00	50.84	0.86
	73.80	69.66	48.99	19.47	15.71	0.27
Permanent Differences						
Disallowance u/s 37	3.67	8.77	4.20	0.74	1.49	0.03
Disallowance u/s 36	0.00	0.33	0.38	0.11	0.00	0.00
Disallowance u/s 40	1.39	0.00	2.34	0.00	0.00	0.00
Profit/Loss on sale of assets	-	-	-	-18.99	3.13	0.04
Total Permanent Difference (C)	5.06	9.10	6.93	(18.14)	4.63	0.07

Particulars	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Timing Differences						
Depreciation including unabsorbed depreciation	5.09	-13.86	-10.42	-23.55	-5.54	-5.80
Gratuity	2.99	3.46	9.31	2.31	3.74	1.82
Interest on Buyer's Credit	-0.49	-0.89	0.90	-0.70	1.18	-
Change in accounting of Excise/VAT & Service Tax	74.75	-65.52	-1.53	49.10	-33.92	-18.84
Excise on Closing Stock	-35.28	106.53	-5.58	-47.74	33.30	35.46
Others	13.77	-18.34	-1.63	-	-9.10	9.10
Total Timing Difference (D)	60.84	11.39	-8.96	-20.57	-10.34	21.74
Total Adjustments (F) = (B+C+D+E)	65.90	20.49	-2.04	-38.71	-5.71	21.81
Tax on Business Income Expenses / (savings) thereon (G)=(F)*Tax rate	21.79	6.77	-0.66	-11.96	-1.76	6.74
Tax payable as per normal provisions (other than 115JB) of the Act (L) = (A+G+I+K)	95.59	76.43	48.33	7.51	13.94	7.01
Tax under MAT (M)	14.06	13.27	9.33	3.71	2.99	0.05
Tax payable for the Year maximum of (L) or (M)	95.59	76.43	48.33	7.51	13.94	7.01

Annexure XXXVII Statement of Accounting Ratios as Restated:

Amount Rs. in Lakhs

Accounting Ratio	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
Net Worth	567.20	422.89	284.71	185.56	142.52	108.13
Weighted average number of equity shares at the end of the year / period	3.00	3.00	3.00	3.00	3.00	3.00
Share Capital as at the end of the year	30.00	30.00	30.00	30.00	30.00	30.00
Net profit after tax (as restated) attributable to shareholders	144.31	138.18	99.16	43.04	34.39	0.18
Earning Per Share Basic & Diluted	48.10	46.06	33.05	14.35	11.46	0.06
Earning Per Share (Pre-Bonus) Basic & Diluted (Post Bonus)	3.44	3.29	2.36	1.02	0.82	0.00
Return on Net Worth	25.44%	32.67%	34.83%	23.19%	24.13%	0.17%
Net Asset Value per share	189.07	140.96	94.90	61.85	47.51	36.04

Accounting Ratio	For the period ended Dec 31 2016	For the Year Ending 31st March				
		2016	2015	2014	2013	2012
(Rs)						
Net Asset Value per share (Rs) (post bonus)	13.50	10.07	6.78	4.42	3.39	2.57
Nominal value per Equity Share (Rs)	10.00	10.00	10.00	10.00	10.00	10.00

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the period ended December 31, 2016 and for the financial years ended March 31, 2016, 2015 and 2014 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*" on page 198 of this Red Herring Prospectus.

Indian GAAP differs in certain material aspects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Red Herring Prospectus, nor do we provide reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "*Risk Factors*" and "*Forward-Looking Statements*" beginning on pages 21 and 198, of this Red Herring Prospectus beginning respectively.

Our Company was incorporated on March 30, 2007 and has completed around ten years since incorporation. The Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for the period ended December 31, 2016 and for the financial years ended March 31, 2016, 2015 and 2014.

OVERVIEW

Incorporated in March, 2007, our Company "Panache Digilife Limited" is engaged in Information and Communication Technology manufacturing, distribution and services. Our Company came into existence, with a goal to become a market leader in 'white box' segment (unbranded – assembled/ customized based computer systems) by maintaining low cost of production. Our Company started by acquiring the business of M/s. Vardhaman Computers, a proprietary concern of Mr. Nikit Rambhia, as a going concern through a Business Assignment Agreement dated April 5, 2007. Over the years we have ventured into distribution of components and at present we are able to provide a varied range of IT infrastructure products and embedded solutions. The registered office of our Company is situated at Mumbai and our manufacturing facility is situated at Daman.

Our Company is promoted by Amit Rambhia and Nikit Rambhia, who have more than a decade of experience in information technology sector. With experience, backed by educational qualifications, it is the vision and dedication of our Promoters which has paved the growth path of our Company. Our Promoters believes in the ideology of continuous improvement and developing innovation and it is their vision to make our Company a world class, competitive IT hardware manufacturing, distributing and service provider with a global recognition.

We are a turnkey manufacturer with the ability to bring customer's original concept and ideas into series production. We work with individual and Companies at all stages of design and manufacture, from the stage of conceptualisation to the point of completion, with such efforts so as to bring industry and commercial level products and services to consumers. We are a customer oriented solution provider Company with our offerings ranging across diverse hardware and embedded solutions.

We are also an ISO 9001:2008 certified Company and have a diverse product basket comprising of thin clients, point of sales, digital signage, education solutions, healthcare embedded – PC, ATM Kiosk, etc. Recently we have also added GPS Tracking Solutions and televisions to our product portfolio. The revenue from operations of the company for the financial year 2015-2016 was Rs. 4914.07 lakhs as compared to Rs. 2,303.06 lakhs for the financial year 2011-12 showing an increase of 113.37%. Our product wise revenue for FY 15 -16 is as follows OEM products : Rs. 2011.25 lakhs, Air PC : Rs.



317.35 lakhs, Computer Systems : Rs. 2055.24 lakhs, IT Peripherals :Rs. 505.19 lakhs, GPS Units : Rs.25.04 lakhs. Our business model is primarily a B2B model wherein we sell goods to parties who sells them to end users. Since we have such a diverse product offering, our end users also belong to different industrial sectors. In our operating history of around a decade, we have had clienteles from banks to educational institutions to retail supermarkets to hotels to well known corporate houses. Our manufacturing facility is situated at Daman and spread over more than 6,000 sq. ft. We have quality management processes and semi automated assembly line in place to ensure speedy and consistent delivery of products to the B2B Market. According to customer requirements, operating systems and software packages are loaded using automated software loading facilities. We generally provide one year warranty for our standard range of products. We also provide additional warranty packs at additional costs.

Our Company at present caters to both domestic and international markets. We have customers based out of Dubai, Iran, Riyadh, Sri Lanka, etc. To expand our operations, we have recently incorporated a subsidiary in Dubai which shall aid us in B2B e-commerce market place. We are also Local Device Partner (L-OEM or Named Partner) for Microsoft and also have a Microsoft License Agreement. We are authorized to procure Windows, Server & Office Licenses directly from Microsoft. We can sell our devices under the brand Name “Panache” with Windows OS, Windows Server & Office Licenses preloaded. We have been promoting brand Panache products since 2008 and are eligible to use “Panache” for our product range under the brand usage agreement dated October 4, 2016 with Rambhia IPR Services LLP for a period of three years.

Our Company aims to provide cost effective electronics manufacturing solutions available while adhering to the high standards of the service, delivery and quality. The company strives to establish strong relationships with clients and collaborate with them to drill down on the best manufacturing solution.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

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

1. Borrowing Powers of Board of Directors was increased to empower Board to borrow amount upto Rs. 500 Crores vide a Special Resolution passed in the Extra Ordinary General Meeting of the Company held on January 23, 2017.
2. We have issued Bonus Shares in the ratio of 13 shares for every 1 share held to the then existing shareholders of the Company on January 24, 2017.
3. The shareholders approved and passed a special resolution on February 17, 2017 to authorize the Board of Directors to raise funds by making an initial public offering.

SIGNIFICATNT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 21 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Cost of materials
- Supply and availability of raw material
- Competition and price cutting from existing and new entrants
- Technological changes
- Rate of interest policies
- Economic and Demographic conditions
- Changes in laws and regulations that apply to textile industry
- Brand Image

DISCUSSION ON RESULT OF OPERATIONS

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the period ended December 31, 2016 and for the financial years ended March 31, 2016, 2015 and 2014.

OVERVIEW OF REVENUE & EXPENDITURE

Revenues

Income from operations:

Our principle component of income is from sales of products such as computer systems, accessories, computer parts, tablets, projectors, etc.

Other Income:

Our other income mainly includes interest income, rental charges received and discount income.

Amount (Rs. In Lakhs)

Particulars	For the period ended December 31, 2016	Till March 31,		
		2016	2015	2014
Income				
Revenue from Operations	3,215.84	4,914.07	3,942.85	2,450.55
As a % of Total Revenue	99.31%	98.81%	99.70%	99.04%
Other Income	22.41	59.29	11.76	23.79
As a % of Total Revenue	0.69%	1.19%	0.30%	0.96%
Total Revenue	3,238.25	4,973.35	3,954.62	2,474.34

Expenditure

Our total expenditure primarily consists of direct expenditure i.e. cost of materials consumed, purchase of stock-in trade and changes in inventories of finished goods, WIP and stock in trade, employee benefit expenses, finance cost, depreciation and other expenses.

Direct Expenditure

Our direct expenditure includes cost of materials consumed, purchase of stock-in trade and changes in inventories of finished goods, WIP, and stock in trade. Cost of materials consumed includes purchase of raw materials such as computers systems, parts and accessories such as motherboard, laptops, processors, etc.

Employee benefits expense

Our employee benefits expense primarily comprise of salary and bonus, director's remuneration, contribution to provident & other funds, gratuity expenses and staff welfare expenses.

Finance Costs

Our finance costs mainly interest on borrowings, bank charges, processing charges, interest on delayed payment of taxes etc.

Depreciation

Depreciation includes depreciation on tangible assets like building, office equipments, vehicles and amortisation of intangible assets like software.

Other Expenses

Other expenses mainly include expenses such as advertising and sales promotion, freight & forwarding, legal & consultation charges, operating expenses, rates & taxes, rent expenses, travelling and conveyance, etc.

Statement of profits and loss

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue:

Particulars	For the period ended December 31, 2016	Amount (Rs. In Lakhs)		
		2016	2015	2014
Income				
Revenue from Operations	3,215.84	4,914.07	3,942.85	2,450.55
As a % of Total Income	99.31%	98.81%	99.70%	99.04%
Other Income	22.41	59.29	11.76	23.79
As a % of Total Income	0.69%	1.19%	0.30%	0.96%
Total Income (A)	3,238.25	4,973.35	3,954.62	2,474.34
Variance/growth	-	25.76%	59.83%	4.48%
EXPENDITURE				
Cost of Material Consumed	1,103.51	3,605.57	2,842.60	1,579.37
As % of Total Income	34.08%	72.50%	71.88%	63.83%
Purchase of Stock in Trade	1253.86	451.86	400.51	287.89
As % of Total Income	38.72%	9.09%	10.13%	11.64%
(Increase)/ Decreases in Inventories of Finished Goods, Work in Progress and Traded Goods	114.83	(96.49)	(81.72)	81.84
As a % of Total Income	3.55%	(1.94%)	(2.07%)	3.31%
Employee benefit expenses	197.00	331.25	261.10	197.23
As a % of Total Income	6.08%	6.66%	6.60%	7.97%
Finance costs	144.06	175.85	173.07	129.02
As a % of Total Income	4.45%	3.54%	4.38%	5.21%
Depreciation and amortisation expense	11.98	14.45	17.17	10.03
As a % of Total Income	0.37%	0.29%	0.43%	0.41%
Other Expenses	189.80	280.19	190.90	125.96
As a % of Total Income	5.86%	5.63%	4.83%	5.09%
Total Expenses (B)	3,015.04	4,762.67	3,803.63	2,411.34
As a % of Total Income	93.11%	95.76%	96.18%	97.45%
Profit before extraordinary items and tax	223.21	210.68	150.98	63.00
Prior period items (Net)	-	-	-	-
Profit before exceptional, extraordinary items and tax (A-B)	223.21	210.68	150.98	63.00
Less - Exceptional items	-	-	-	-
Profit before extraordinary items and tax	223.21	210.68	150.98	63.00
As a % of Total Income	6.89%	4.24%	3.82%	2.55%
Extraordinary items	-	-	-	-
Profit before tax	223.21	210.68	150.98	63.00
As a % of Total Income	6.89%	4.24%	3.82%	2.55%
Tax expense :				

Particulars	For the period ended December 31, 2016	For the year ended March 31,		
		2016	2015	2014
(i) Current tax	95.59	76.43	48.33	7.51
(ii) Income tax of earlier year	-	0.03	-	-
(ii) Deferred tax	(16.68)	(3.96)	3.50	12.45
Total Tax Expense	78.91	72.50	51.83	19.96
Profit for the year	144.31	138.18	99.16	43.04
PAT Margin	4.46%	2.78%	2.51%	1.74%

REVIEW OF NINE MONTHS ENDED DECEMBER 31, 2016

INCOME

Revenue from operations

Our income from operations was Rs 3,215.84 lakhs which was about 99.31% of the total revenue for the nine months period ended December 31, 2016.

Other Income

Our other income was Rs 22.41 lakhs which is 0.69% of the total revenue for the nine months period ended December 31, 2016 and mainly consisted of interest income and rent income.

EXPENDITURE

Direct Expenditure

Our direct expenditure was Rs 2472.20 lakhs which is 76.34% of the total revenue for the nine months period ended December 31, 2016. The direct expenditure mainly includes cost of raw material consumed, purchase of stock-in trade and changes in inventories of finished goods, WIP, and stock in trade.

Employee benefits expense

Our employee benefits expense was Rs 197.00 lakhs which is 6.08% of the total revenue for the nine months period ended December 31, 2016 and primarily comprised of salary and wages expense, directors remuneration, contribution to provident & other funds, gratuity expenses and staff welfare expenses etc.

Finance Costs

Our finance costs was Rs 144.06 lakhs which is 4.45% of the total revenue for the nine months period ended December 31, 2016 and comprise of interest costs on borrowings, interest on delayed payment of taxes, bank charges, etc.

Depreciation

Our depreciation expense was Rs 11.98 lakhs which is 0.37% of the total revenue for the nine months period ended December 31, 2016 and depreciation on tangible assets like building, office equipments, vehicles and amortisation of intangible assets like software.

Other Expenses

Our other expenses was Rs. 189.80 lakhs which is 5.86% of the total revenue for the nine months period ended December 31, 2016 which mainly include expenses such as advertising and sales promotion, freight & forwarding, legal & consultation charges, operating expenses, rates & taxes, rent expenses, travelling and conveyance, etc.

Profit before tax

Our Profit before tax was Rs. 223.21 lakhs which is 6.89% of our total revenue for the period of nine months ended December 31, 2016

Net profit

Our Net profit after tax was Rs. 144.31 lakhs which is 4.46% of our total revenue for the period of nine months ended December 31, 2016

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2016 WITH FINANCIAL YEAR ENDED MARCH 31, 2015

INCOME

Income from Operations

(Rs. In lakhs)

Particulars	2015-16	2014-15	Variance in %
Operating Income	4,914.07	3942.85	24.63

The operating income of the Company for the year ending March 31, 2016 is Rs. 4,914.07 lakhs as compared to Rs. 3,942.85 lakhs for the year ending March 31, 2015, showing an increase of 24.63%. The increase was mainly due to increase in our business operations.

Other Income

Our other income increased by 403.97% to Rs. 59.29 lakhs in FY 2015-16 from Rs. 11.76 lakhs in FY 2014-15. The increase was mainly due to increase in interest income and rent income.

EXPENDITURE

Direct Expenditure

(Rs. In lakhs)

Particulars	2015-16	2014-15	Variance in %
Cost of materials consumed	3605.57	2842.60	26.84
Purchase of stock in trade	451.86	400.51	12.82
Changes in Inventories of finished goods, WIP and stock in Trade	(96.49)	(81.72)	18.08
Total	3,960.93	3,161.39	25.29

Our direct expenditure has increased from Rs. 3161.39 lakhs in Financial Year 2014-15 to Rs. 3960.93 lakhs in Financial Year 2015-2016 showing an increase of 25.29% over the previous year. The increase was in line with the increase in our business operations.

Administrative and Employee Costs

(Rs. In lakhs)

Particulars	2015-16	2014-15	Variance in %
Employee Benefit Expenses	331.25	261.10	26.87
Other Expenses	280.19	190.90	46.78

Employee benefit expenses increased from Rs. 261.10 lakhs in financial year 2014-15 to Rs. 331.25 Lakhs in financial year 2015-16 due to increase in number of employees and rise in wages levels.

Our other expenses increased by 46.78% from Rs. 190.90 lakhs in financial year 2014-15 to Rs. 280.19 lakhs in financial year 2015-16. The increase was mainly due to increase in service tax expenses, sales promotion expenses, product development expenses, etc.

Finance Costs

Our finance costs have increased from Rs. 173.07 lakhs in financial year 2014-15 to Rs. 175.85 lakhs in financial year 2015-16. This shows an increase of 1.60% as compared to last financial year. The

increased finance cost was on account of higher borrowings by the Company leading to increased interest.

Depreciation

Depreciation expenses for the Financial Year 2015-2016 have decreased to Rs. 14.45 lakhs as compared to Rs. 17.17 lakhs for the Financial Year 2014-2015 showing a decrease of 15.86%.

Profit before Tax

(Rs. In lakhs)

Particulars	2015-16	2014-15	Variance in %
Profit Before Tax	210.68	150.98	39.54

Profit before tax increased from Rs. 150.98 lakhs in financial year 2014-15 to Rs. 210.68 lakhs in financial year 2015-16. The increase was due to increased business operations.

Provision for Tax and Net Profit

(Rs. In lakhs)

Particulars	2015-16	2014-15	Variance in %
Taxation Expenses	72.50	51.83	39.89
Profit after Tax	138.18	99.16	39.36

Our profit after tax increased from Rs. 99.16 lakhs in Financial Year 2014-15 to Rs. 138.18 lakhs in Financial Year 2015-16 showing an increase of 39.36%.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2015 WITH FINANCIAL YEAR ENDED MARCH 31, 2014

INCOME

Revenue from Operations

(Rs. in lakhs)

Particulars	2014-15	2013-14	Variance in %
Operating Income	3,942.85	2,450.55	60.90

The operating income of the Company for the financial year 2014-2015 was Rs. 3,942.85 lakhs as compared to Rs. 2,450.55 lakhs for the financial year 2013-2014 showing an increase of 60.90%. This increase was mainly due to increase in our business operations.

Other Income

Our other income of the Company for the financial year 2013-2014 was Rs. 23.79 lakhs which decreased to Rs. 11.76 lakhs during the financial year 2014-15. Other income in financial year 2013-14 was due to profit on sale of assets.

EXPENDITURE

Direct Expenditure

Cost of materials consumed

(Rs. in lakhs)

Particulars	2014-15	2013-14	Variance in %
Cost of material consumed	2,842.60	1,579.37	79.98
Purchase of stock in trade	400.51	287.89	39.12
Increase / decrease in Inventories of finished goods, WIP and stock in Trade	(81.72)	81.84	(199.86)
Total	3161.39	1949.11	62.20

The direct expenditure increased from Rs. 1949.11 lakhs in financial year 2013-14 to Rs. 3161.39 lakhs in financial year 2014-15 showing an increase of 62.20% over the previous year. The increase was in line with the increase in our business operations.

Administrative and Employee Costs

(Rs. in lakhs)

Particulars	2014-15	2013-14	Variance in %
Employee Benefit Expenses	261.10	197.23	32.39
Other expenses	190.90	125.96	51.56

Employee benefit expenses increased from Rs. 197.23 lakhs in financial year 2013-14 to Rs. 261.10 lakhs in financial year 2014-15 due to increase in number of workers and salary levels.

Our other expenses increased by 51.56% from Rs. 125.96 lakhs in financial year 2013-14 to Rs. 190.90 lakhs in financial year 2014-15. The increase was mainly due to increase in freight & forwarding, installations, certification charges, travelling & conveyance, advertisement & sales promotion, etc.

Finance Costs

The finance costs for the Financial Year 2013-2014 increased from Rs. 129.02 lakhs in FY 2013-14 to Rs. 173.07 lakhs in the financial year 2014-15. The increase was primarily due to increased utilisation of borrowings during FY 2014-15.

Depreciation

Depreciation for the year financial year 2014-15 has increased to Rs. 17.17 lakhs as compared to Rs. 10.03 lakhs for the financial year 2013-14. The increase was due to change in calculation of depreciation as per Companies Act, 2013

Profit Before Tax

Our profit before tax increased from Rs. 63.00 lakhs in Financial Year 2013-14 to Rs. 150.98 lakhs in Financial Year 2014-15. The increase was due to increase in our business operations.

Provision for Tax and Net Profit

(Rs. in lakhs)

Particulars	2014-15	2013-14	Variance in %
Taxation Expenses	51.83	19.96	159.65
Profit after Tax	99.16	43.04	130.39

Profit after tax increased to Rs. 99.16 lakhs in the financial year 2014-15 as compared to Rs. 43.04 lakhs in the financial year 2013-14.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

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

Other than as described in the section titled “*Risk Factors*” beginning on page 21 of this Red Herring Prospectus to our knowledge there are no significant economic changes that materially affected or are likely to affect income of our Company from continuing operations.

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

Other than as disclosed in the section titled “*Risk Factors*” beginning on page 21 of this Red Herring Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. Future relationship between Costs and Income.

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies, global market situation and prices of our material.

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

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

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

The Company is operating in Information Technology industry. Relevant industry data, as available, has been included in the chapter titled “*Our Industry*” beginning on page 108 of this Red Herring Prospectus.

7. Status of any publicly announced new products/projects or business segments

Our Company has not announced any new projects or business segments, other than disclosed in the Red Herring Prospectus. For details of our products please refer to the chapter titled “*Our Business*” beginning on page 143 of this Red Herring Prospectus.

8. The extent to which the business is seasonal

Our Company’s business is not seasonal in nature.

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

The % of contribution of our Company’s customer and supplier vis a vis the total revenue from operations and raw materials cost respectively as March 31, 2016 is as follows:

	Customers	Suppliers
Top 5 (%)	75.99%	39.46%
Top 10 (%)	82.13%	55.90%

10. Competitive Conditions

We face competition from existing and potential organised and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “*Our Business*” on page 143 of this Red Herring Prospectus.



CHANGES IN ACCOUNTING POLICIES IN LAST THREE YEARS

There is no change in accounting policy in the last 3 years. For further details, please refer to chapter titled “Financial Statement as Restated” beginning on page 198 of this Red Herring Prospectus.

FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks and others for conducting its business. Set forth below is a brief summary of our Company's secured borrowings from banks as on December 31, 2016 together with a brief description of certain significant terms of such financing arrangements

SECURED BORROWINGS

1. Loan from Canara Bank as per latest Sanction letter dated September 14, 2016

Rs. In Lakhs

Particulars	CC	ILC/ FLC/ BG	Term Loan
Nature of Facility	CC	ILC/ FLC/ BG	Term Loan
Amount (in Rs.)	1000.00	600.00	125.00
Sub Limit	ODBD (500.00)	-	-
Rate Of Interest	12.85% p.a (MCLR + 3.50%)	-	13.45%
Margin	20% for stock & 30 BD	LC 25%, BG 20%	
Primary Security	<u>For WC limits</u> <ul style="list-style-type: none"> • Stocks • Entire Book Debts 	Hypothecation of goods received under LC	
Collateral Security	EMT of: Office premises, admeasuring 2000 sq ft situated at Unit no. 2, Raheja Plaza-1, Opp. R- City Mall, Ghatkopar West, Mumbai-400086		
	Continuing security of EMT of flat No 113, B wing, Bldg No. 2, 11th floor, Kalpataru Aura, LBS marg, Ghatkopar West, Mumbai - 86		
	2 LIC Policies of Rs. 3.00 lacs each, in the name of Mr. Nikit D Rambhia- Assigned in favour of Bank		
	Fresh RD of Rs. 5.00 lacs per month		
Guarantee	Devchand Rambia Amit Rambia Nikit Rambia Deepa Rambia		
Outstanding as on December 31, 2016	612.08 Lakhs		

Key Restrictive Covenants:

During the currency of the Bank's credit facilities, the unit/ guarantors will not, without the Bank's prior permission in writing:

1. Undertaking letter shall be obtained not to divert the bank borrowings/working Capital Funds to:
 - a) To undertake any new project/scheme of modernization unless such an expenditure on expansion is covered by company's net cash accruals after providing for dividends, etc., or for long term uses without NOC from the bank.
 - b) To invest by way of share capital in or lend or advance funds to or place deposits with any associates/allied/sister/any other concerns. Normal trade credit or security deposits in usual course of business or advances to employees are not covered under this covenant.

- c) To enter into any borrowing arrangements either secured or unsecured with any other bank/ Financial Institutions/ Company.
- 2. An undertaking to be given to the effect that, company will not declare or pay any dividend when there are arrears/overdues in the borrow accounts.
- 3. The decision on merger, amalgamation, reconstruction takeover, shifting of premises, shall be done only with prior permission of the bank. An undertaking to this effect should be given.

2. Loan of Rs. 9.99 Lakhs from HDFC Bank Limited

Nature of Facility	Car Loan
Loan Amount	Rs. 9.99 Lakhs
Rate of Interest	8.96% p.a
EMI Amount	Rs. 20,730.00
Security	Secured by hypothecation of Vehicle under Hire Purchase
Tenor	60 Months from December 2016
Amount outstanding as on December 31, 2016	7.49 Lakhs

3. Loan of Rs. 14.84 Lakhs from HDFC Bank Limited

Nature of Facility	Car Loan
Loan Amount	Rs. 14.84 Lakhs
Rate of Interest	9.36% p.a
EMI Amount	Rs. 30,823.00
Security	Secured by hypothecation of Vehicle under Hire Purchase
Tenor	60 Months from January 2016
Amount outstanding as on December 31, 2016	9.64 Lakhs

UNSECURED BORROWINGS

Unsecured Borrowing as on December 31, 2016

Sr. No	Name of Lender	Loan Amount (Rs. In Lakhs)
1.	Amit Rambhia	124.58
2.	Devchand Rambhia	180.15
3.	Nikit Rambhia	137.72

INTER CORPORATE DEPOSITS

Name of Corporate	(Rs. In Lakhs)
Anvita Trading Company Private Limited	10.00
Cybertech Interactive Limited	27.02
Dhani Commodities Private Limited	21.62
Dhwani Solutions Private Limited	3.50
Gadgil and Associates Private Limited	51.50
Greatmoon Trading Private Limited	176.25
Huge Spring Trading Private Limited	93.25
Nova Elevators Private Limited	10.00
R R Shah Trading Private Limited	25.00
Roomsstyle Gloabal Private Limited	25.00
Sai Eshwaree Enterprise Private Limited	16.50

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters, Subsidiaries or Group Companies.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on February 17, 2017 determined that outstanding dues to creditors in excess of Rs. 5.00 lakhs as per last audited financial statements shall be considered as material dues (“Material Dues”).

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered ‘material’ for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter exceeds Rs. 5.00 lakhs as determined by our Board, in its meeting held on February 17, 2017.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered ‘material’ only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Unless otherwise stated to contrary, the information provided is as of date of this Red Herring Prospectus.

LITIGATIONS INVOLVING OUR COMPANY

LITIGATIONS AGAINST OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

IDEA CELLULAR LIMITED V. VARDHAMAN TECHNOLOGY PRIVATE LIMITED

1. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22972/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 84,023.47/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.
2. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22973/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 1,09,776.58/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.
3. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22974/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 408.68/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.
4. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22975/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 387.33/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.

5. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22976/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 378.36/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.
6. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22977/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 372.80/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.
7. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22978/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 280.74/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.
8. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22979/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 390.84/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.

9. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22980/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 393.44/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.
10. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22981/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 250.74/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.
11. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22982/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 275.20/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.
12. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22983/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 246.21/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.

13. Idea Cellular Limited (hereinafter referred to as "Applicant") has made an application dated November 4, 2016 under Section 22-C of the Legal Services Authorities Act, 1987 against our Company (hereinafter referred as "Opponent") vide Application number 22984/2016 before Permanent Lokadalat, Mumbai. In the said application the Applicant has stated that there is a pre-litigation dispute between Applicant and the Opponent and the Applicant wishes to bring the dispute before ensuring Permanent Lok Adalat for amicable settlement or decisions on merit. Applicant is a telecom service providing company. The Opponent availed the Telecom Service provided as a Customer and consequently bill was raised for the services availed. The Opponent has failed to pay the bill amounting to **Rs. 248.13/-**. A notice was issued to the Opponent to be present before Permanent Lokadalat, Mumbai and file the written statement in the matter. The Plaintiff in the said case has sought relief to take up the matter for amicable settlement by way of conciliation in case of failure of conciliation dispute between the parties be decided on merits. The matter is currently pending.

Taxation Matters

INCOME TAX PROCEEDINGS

1. FOR AY 2014-15

Income Tax Officer, Mumbai (hereinafter referred to as the "**Assessing Authority**") issued a notice dated September 6, 2016 under Section 142 (1) of the Income Tax Act, 1961 (hereinafter referred to as the "**Act**") to M/s Vardhaman Technology Private Limited (hereinafter referred to as the '**Assessee Company**') to appear in person before the Officer along with required documents. Information regarding purchase and sale of immovable property and interest under Section 244A (of AY 2012-13) is required to be submitted by the Assessee. The Assessing Authority passed an Assessment Order dated December 8, 2016 under Section 143 (2) of the Act assessing the total income of the Assessee Company as MAT provision under Section 115JB of the Act at Rs. 66,63,008/. An interest amounting to Rs. 3,218/- was imposed under Section 234A, Rs. 15,572/- was imposed under Section 234B and Rs. 58,625/- was imposed under Section 234C. The total tax computed to be payable by the Assessee Company amounted to Rs. 12,520/-. The Assessing Authority issued a notice of demand under Section 156 of the Act dated December 8, 2016 for an amount outstanding of **Rs. 12,520/-**. The amount is outstanding and matter is currently pending.

2. FOR AY 2015-16

Income Tax Officer, Income Tax Department (hereinafter referred to as the '**Assessing Authority**') issued a notice dated March 1, 2016 to M/s Vardhaman Technology Private Limited (hereinafter referred to as the '**Assessee Company**') under Section 245 of the Income Tax Act, 1961 (hereinafter referred to as the '**Act**') demanding tax payable amounting to Rs. 10,280/-. Another notice was issued dated July 28, 2016 bearing notice number ITBA/AST/S/143(2)/2016-17/1000202272(1) under Section 143 (2) for limited scrutiny. The Assessee Company was given an opportunity to produce evidence of return of Income before the Assessing Authority. The Assessing Authority passed an order and issued intimation dated March 1, 2016 under Section 143 (1) of the Act having reference number CPC/1516/A6/1528290689 for a net amount payable of Rs. 10,284/- rounded off to **Rs. 10,280/-**. The amount is outstanding and the matter is currently pending.

3. FOR AY 2016-17

The Income Tax Department (hereinafter referred to as the "**Assessing Authority**") issued a notice dated November 23, 2016 to Vardhaman Technology Private Limited (hereinafter referred to as the '**Assessee Company**') under Section 245 of the Income Tax Act, 1961 (hereinafter referred to as the '**Act**') demanding tax payable amounting to Rs. 2,610/-. The Assessing Authority passed an order and issued intimation under Section 143 (1) of the Act dated November 23, 2016 for demand payable amounting to Rs. 2,610/-. The amount is outstanding and the matter is currently pending.



TDS PROCEEDING AGAINST OUR COMPANY

4. FOR YEARS PRIOR TO 2013-14

Vardhaman Technology Limited (hereinafter referred to as the '**Assessee Company**') made a total default of **Rs. 85,008/-** including payment of Interest under Section 201 of the Income Tax Act, 1961 and late filing fee under Section 234 E of the Act. The amount is outstanding and the matter is currently pending.

5. FOR AY 2013-14

The Assessee Company made a total default of **Rs. 3,973/-** including payment of Interest under Section 201 and 220 (2) of the Income Tax Act, 1961. The amount is outstanding and the matter is currently pending.

6. FOR AY 2014-15

The Assessee Company made a total default of **Rs. 32,057/-** including payment of Interest under Section 201 and 220 (2) of the Income Tax Act, 1961 and late filing fee under Section 234 E of the Act. The amount is outstanding and the matter is currently pending.

7. FOR AY 2015-16

The Assessee Company made a total default of **Rs. 38,950/-** including payment of Interest under Section 201(1)A and 220 (2) of the Income Tax Act, 1961 and late filing fee under Section 234 E of the Act. The amount is outstanding and the matter is currently pending.

8. FOR AY 2016-17

The Assessee Company made a total default of **Rs. 17,918/-** including payment of Interest under Section 201 (1) A and 220 (2) of the Income Tax Act, 1961 and late filing fee under Section 234E of the Act. The amount is outstanding and the matter is currently pending.

CUSTOMS ACT PROCEEDING

9. Deputy Commissioner of Customs – Group V/ ACC, Office of Principal Commissioner of Customs (Import), Mumbai issued letter dated September 22, 2016 to M/s Vardhaman Technology Private Limited (hereinafter referred to as the '**Company**') directing it to pay the short levied duty along with applicable interest within 7 days on receipt of this letter. The letter was issued in light of Notification No. 24/2015-CE dated April 30, 2015 at Sr. No. 235. The matter is currently pending.
10. Deputy Commissioner of Customs DEEC Section/ ACC (hereinafter referred to as the '**Assessing Officer**') issued a letter dated September 21, 2016 to M/s Vardhaman Technology Private Limited (hereinafter referred to as the '**Company**') directing it to submit evidence regarding fulfillment of export obligation within 10 days of the receipt of the letter. Any failure on the part of Company will make it liable for initiation of action for recovery of duty with interest under the provision of Customs Act, 1962. The Assessing Officer has issued a duty demand notice dated September 21, 2016 on account of non-fulfillment of export obligation under Licence No. 0310668630 dated December 2, 2011 to the Company. The Company was directed to either produce EODC/Redemption Letter issued by DGFT in respect of the licence or pay **Rs. 18,08,259/-** being the amount of customs duty saved plus interest within 10 days of receipt of the notice. The matter is currently pending.

CENTRAL SALES TAX PROCEEDING

11. Assistant Commissioner of Sales Tax, Mumbai (hereinafter referred to as the '**Assessing Authority**') issued Notice dated October 6, 2016 under Rule 9A of the Central Sales Tax (Bombay) Rules, 1957 to Vardhaman Technology Private Limited (hereinafter referred to as the '**Assessee Company**') to furnish information on non-imposition of tax under Section 9 (2) of the Central Sales Tax Act, 1956 read with Section 33 (6b) of the Bombay Sales Tax Act, 1959/ Section 23 (5) of the Maharashtra Value Added Tax Act, 2002. The claims or deductions with

respect to tax levied from April 2013 to March 2014 by incorrectly or omission in recording of CST with proposed tax liability amounting to **Rs. 5,85,947/-**. The matter is currently pending.

12. Assistant Commissioner of Sales Tax, Mumbai (hereinafter referred to as the '**Assessing Authority**') issued Notice dated October 6, 2016 under Rule 9A of the Central Sales Tax (Bombay) Rules, 1957 to Vardhaman Technology Private Limited (hereinafter referred to as the '**Assessee Company**') to furnish information on non-imposition of tax under Section 9 (2) of the Central Sales Tax Act, 1956 read with Section 33 (6b) of the Bombay Sales Tax Act, 1959/ Section 23 (5) of the Maharashtra Value Added Tax Act, 2002. The claims or deductions with respect to tax levied from April 2014 to March 2015 by incorrectly or omission in recording of CST with proposed tax liability amounting to **Rs. 1,76,260/-**. The matter is currently pending.

Proceedings against Our Company for economic offences/securities laws/ or any other law

Nil

Penalties in Last Five Years

Nil

Pending Notices against our Company

Nil

Past Notices to our Company

Superintendent of Customs, Office of the Commissioner of Customs, Mumbai (hereinafter referred to as the '**Assessing Officer**') issued Summons number VGT/158/2016 bearing reference number SG/MISC-01/2016-17-SIIB/APB/APT dated May 3, 2016 under Section 108 of the Customs Act, 1962 (hereinafter referred to as the '**Act**') to M/s Vardhaman Technology Private Limited (hereinafter referred to as the '**Respondent**') instructing its Director to appear in person before the Assessing Officer. Respondent was asked to produce necessary evidences in respect of enquiry in connection with evasion of ADD on the imports of USB Drives through Courier Cell, Mumbai. The Respondent submitted reply to summons dated June 21, 2016. There has been no further notices or order issued in the matter.

Disciplinary Actions taken by SEBI or stock exchanges against Our Company

Nil

Defaults including non-payment or statutory dues to banks or financial institutions

Nil

Details of material frauds against the Company in last five years and action taken by the Companies.

Nil

LITIGATIONS FILED BY OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law

Nil

LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY

LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY

Mr. Nikit Devchand Rambhia and Mr. Amit Devchand Rambhia are the Promoters as well as Directors of the Company. For litigation relating to them kindly refer the title 'Litigation involving Promoters of Our Company' below.

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

INCOME TAX PROCEEDINGS – DEVCHAND LALJI RAMBHIA

1. FOR AY 2011-12

Income Tax Department issued a notice dated January 11, 2013 to Devchand Lalji Rambhia (hereinafter referred to as the ‘Assessee’) under Section 245 read with Section 143 (1) (a) of the Income Tax Act, 1961 demanding tax payable amounting to **Rs. 56,570/-**. The amount is currently outstanding.

INCOME TAX PROCEEDINGS – ROHIT MATHUR

2. FOR AY 2009-10

Income Tax Department issued a notice dated October 14, 2010 to Rohit Mathur (hereinafter referred to as the ‘Assessee’) under Section 245 read with Section 143 (1) (a) of the Income Tax Act, 1961 demanding tax payable amounting to **Rs. 98,830/-**. The amount is currently outstanding.

3. FOR AY 2011-12

Income Tax Department issued a notice dated October 29, 2012 to Rohit Mathur (hereinafter referred to as the ‘Assessee’) under Section 245 read with Section 143 (1) (a) of the Income Tax Act, 1961 demanding tax payable amounting to **Rs. 1,80,750/-**. The amount is currently outstanding.

The demand of Rohit Mathur is not determined for AY 2012-13, AY 2015-16 and AY 2016-17.

INCOME TAX PROCEEDINGS – BHAVIN VINOD SHAH

4. FOR AY 2007-08

Income Tax Department (hereinafter referred to as the “**Assessing Authority**”) issued a notice of demand dated January 28, 2012 under Section 245 read with Section 220 (2) of the Income Tax Act, 1961 (hereinafter referred to as the “**Act**”) for demand outstanding amounting to **Rs. 480/-**

5. FOR AY 2008-09

Income Tax Department (hereinafter referred to as the “**Assessing Authority**”) issued a notice of demand dated December 12, 2009 under Section 245 read with Section 143(1) of the Income Tax Act, 1961 (hereinafter referred to as the “**Act**”) for demand outstanding amounting to **Rs. 2,802/-**

6. FOR AY 2009-10

Income Tax Department (hereinafter referred to as the “**Assessing Authority**”) issued a notice of demand dated March 16, 2015 under Section 245 read with Section 147 of the Income Tax Act, 1961 (hereinafter referred to as the “**Act**”) for demand outstanding amounting to **Rs. 83,320/-**

7. FOR AY 2011-12

Income Tax Department (hereinafter referred to as the “**Assessing Authority**”) issued a notice of demand dated March 13, 2012 under Section 245 read with Section 143 (1)(a) of the Income Tax Act, 1961 (hereinafter referred to as the “**Act**”) for demand outstanding amounting to **Rs. 49,170/-**

8. FOR AY 2012-13

Income Tax Department (hereinafter referred to as the “**Assessing Authority**”) issued a notice of demand dated January 16, 2014 under Section 245 read with Section 143 (1)(a) of the Income Tax Act, 1961 (hereinafter referred to as the “**Act**”) for demand outstanding amounting to **Rs. 40,730/-**

Past Penalties imposed on our Directors

Nil

Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law

Nil

Directors on list of wilful defaulters of RBI

Nil

LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY**Criminal Litigations**

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY**LITIGATIONS AGAINST OUR PROMOTER/S****Criminal Litigations**

Nil

Civil Proceedings

Nil

Taxation Matters**INCOME TAX PROCEEDING AGAINST AMIT DEVCHAND RAMBHIA****1. FOR AY 2010-11**

The Income Tax Department issued a notice dated May 29, 2013 to Amit Devchand Rambhia (hereinafter referred to as the ‘**Assessee**’) under Section 245 read with Section 220 (2) of the Income Tax Act, 1961 demanding tax payable amounting to **Rs. 184/-**. The amount is currently outstanding.



INCOME TAX PROCEEDING AGAINST NIKIT DEVCHAND RAMBHIA

2. FOR AY 2014-15

As per Income Tax website there is demand determined against Nikit Devchand Rambhia. However the documents for the same are currently not available with the Company.

Past Penalties imposed on our Promoters

Nil

Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years

Nil

Penalties in Last Five Years

Nil

Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in past.

Nil

Adverse finding against Promoter for violation of Securities laws or any other laws

Nil

LITIGATIONS FILED BY OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

LITIGATIONS INVOLVING OUR GROUP COMPANIES

LITIGATIONS AGAINST OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

INCOME TAX PROCEEDING AGAINST PANACHE INNOVATIONS LIMITED (FORMERLY KNOWN AS RUBY TRADERS AND EXPORTERS LIMITED)

1. FOR AY 2011-12

As per Income Tax website there is demand determined against Panache Innovations Limited (Formerly known as Ruby Traders and Exporters Limited) for AY 2011-12. The documents are not available.

2. FOR AY 2012-13

The Income Tax Department issued a notice dated August 22, 2014 to Panache Innovations Limited (Formerly known as Ruby Traders and Exporters Limited) (hereinafter referred to as the '**Assessee Company**') under Section 245 read with Section 220 (2) of the Income Tax Act, 1961 demanding tax payable amounting to **Rs. 1,548/-**. The amount is currently outstanding.

3. FOR AY 2015-16

The Income Tax Department issued an intimation order dated June 8, 2016 having reference number CPC/1516/A6/1529438958 to Panache Innovations Limited (Formerly known as Ruby Traders and Exporters Limited) (hereinafter referred to as the '**Assessee Company**') under Section 245 read with Section 143 (1) (a) of the Income Tax Act, 1961 (hereinafter referred to as the "**Act**") demanding tax payable amounting to **Rs. 15,520/-**. The intimation was to be treated as Notice of Demand under Section 156 of the Act. The amount is currently outstanding.

CENTRAL SALES TAX PROCEEDING AGAINST PANACHE INFOTECH PRIVATE LIMITED NOW KNOWN AS ICT INFRATECH SERVICES PRIVATE LIMITED

4. Sales Tax Officer, Department of Sales Tax, Government of Maharashtra (hereinafter referred to as the '**Assessing Officer**') issued a notice bearing reference number STO/C-201/704/Cell/Form-VI-E/2011-12/Reminder/B to M/s Panache Infotech Private Limited (now known as ICT Infratech Services Private Limited and hereinafter referred to as the '**Noticee Company**') -dated September 23, 2015 under Rule 9A of the Central Sales Tax (Bombay) Rules, 1957. The Assessing Officer vide this notice has summoned the Noticee Company to appear before it within seven days. The matter is currently pending.

Past Penalties imposed on our Group Companies

Nil

Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies

Nil

Adverse finding against Group Companies for violation of Securities laws or any other laws

Nil

LITIGATIONS FILED BY OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil



LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES

LITIGATIONS AGAINST OUR SUBSIDIARY COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Past Penalties imposed on our Subsidiaries

Nil

Proceedings initiated against our Subsidiaries for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Subsidiaries

Nil

Adverse finding against Subsidiaries for violation of Securities laws or any other laws

Nil

LITIGATIONS BY OUR SUBSIDIARIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

OTHER MATTERS

Nil

DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES

Nil

OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

Nil

MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter “Management Discussion and Analysis of Financial Condition and Result of Operation” on page 232 of this Red Herring Prospectus, there have been no material developments, since the date of the last audited balance sheet.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As of December 31, 2016, our Company had 111 creditors, to whom a total amount of Rs. 1305.40 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated February 17, 2017, considered creditors to whom the amount due exceeds Rs. 5.00 lakhs as per our Company’s restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

List of material creditors pertaining to Small and Medium Enterprises is as follows:

Creditors	Amount (Rs. In Lakhs)
Athais Technosoft Pvt. Ltd.	98.18

List of material creditors other than Small and Medium Enterprises is as follows:

Creditors	Amount (Rs. In Lakhs)
Harinkumar Indravadan Shah	5.57
Adata Technology Co. Ltd	6.12
Shri Gajanana Industries (India) Pvt Ltd	6.91
Source Logistics	7.66
Mds Pacific India Pvt Ltd.	8.75
World Peace International (South Asia) Pte Ltd	9.80
Srishti Wireless Solutions	11.65
Shenzhen Gui Xiang Technology Co., Ltd	12.79
Asrock Incorporation	13.64
Spectra Innovations Pte Ltd.	42.16
Soham Enterprises	356.99
Circle Infotech Pvt Ltd.	658.89

Further, none of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see website of our Company www.panachedigilife.com.

Information provided on the website of our Company is not a part of this Red Herring 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, www.panachedigilife.com, would be doing so at their own risk.



GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of manufacturing, distribution and servicing of Computer hardware, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer chapter "Key Industry Regulations and Policies" on page 157 of this Red Herring Prospectus.

The Company has its business located at:

Registered Office: Unit No. 201/B, Raheja Plaza - 1, L.B.S. Marg, Ghatkopar (West), Mumbai – 400 086, Maharashtra, India.

Primary Manufacturing Unit: Survey No. 485/C, Gala No. 2,3 & 4 on ground floor and 1 to 4 on first floor, Futardo Compound, Near Dabhel Check Post, Dabhel, Daman – 396 210, Union Territory, India.

Secondary Manufacturing Unit: Survey No.732/1, 736/4&5, Gala No. 6F, 1st Floor, Avis Udyog Bhavan, Dabhel, Daman 396210, Union Territory, India

Warehouse:

1. Logix Supply Chain Solutions Pvt. Ltd., Building No. 112 and 119 Gala No. 1 TO 5 in Indian Corporation, Village Gundavali, Mankoli Naka, Bhiwandi – 421302, Maharashtra
2. WB-10, 11 Renaissance Industrial Park, Village Vashere, Post Amane, Bhiwandi (M CL) – 421302, Maharashtra.(Warehouse for Amazon Products)
3. "K-Square" Industrial and Logistic Park, WH 5/2, Village Vashere, Post Amane, Bhiwandi (M CL) – 421302, Maharashtra. (Warehouse for Amazon Products)

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

APPROVALS FOR THE ISSUE

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on February 17, 2017, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1) (c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on February 17, 2017 authorized the Issue.

In- principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated March 21, 2017 bearing reference no. NSE/LIST/376.

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated March 02, 2017 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is, Bigshare Services Private Limited for the dematerialization of its shares.

2. Similarly, the Company has also entered into an agreement dated March 08, 2017 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is, Bigshare Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE895W01019.

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated March 30, 2007 issued by the Registrar of Companies, Maharashtra, Mumbai, in the name of “VARDHAMAN TECHNOLOGY PRIVATE LIMITED”.
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on February 15, 2017 by the Registrar of Companies, Mumbai in the name of “VARDHAMAN TECHNOLOGY LIMITED”.
3. Fresh Certificate of Incorporation was issued on February 22, 2017 pursuant to change of name from “Vardhaman Technology Limited” to “PANACHE DIGILIFE LIMITED”
4. The Corporate Identification Number (CIN) of the Company is U72200MH2007PLC169415

APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1.	Certificate of Importer- Exporter Code (IEC)	Foreign Trade Development Officer, O/O Additional Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India	IEC Number: 0307013740	May 17, 2007 Date of Renewal: November 19, 2013	NA
2.	Import/ Export Licence for availing benefits of Advance Authorisation under Foreign Trade (Development and Regulations) Act, 1992	Office of Zonal Director General of Foreign Trade, Mumbai, Directorate General of Foreign Trade, Government of India, Ministry of commerce and Industry, Government of India	License Number: 0310668630/3/03/00 (Cus. Not. 096/2009 dated September 11, 2009)	December 2, 2011	NA
3.	Registration Certificate of Establishment (under Maharashtra Shops and	Inspector under the Maharashtra Shops & Establishment Act, 1948, Government of Maharashtra	760105810/ Commercial II Ward N	October 8, 2009 Renewed: December 07, 2016	December 31, 2017

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
	Establishments Act, 1948 and rules made thereunder)				
4.	Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit	General Manager, Directorate of Industries (DIC), Administration of Daman	Entrepreneurs Memorandum: EM-60-001-11-00204	January 8, 2010 Amended on June 28, 2011	NA
5.	Registration cum Membership Certificates	Electronics and Computer Software Export Promotion Council (An autonomous organisation under Department of Information Technology, Ministry of Communications and Information Technology, Government of India)	02/E&CSEPC/DEL/REG/5538/MUMBAI/2009-10	June 26, 2009 Valid from April 01, 2009	March 31, 2017
6.	License for general trading export and import*	United Arab Emirates. Government of Ajman	License Number: 20060	Establishment Date: November 21, 2016	November 20, 2017

* The License for general trading and import (as mentioned above) is carried on under the trade name of Wemart Global FZE, our subsidiary Company in UAE.

7.	License to work a factory (Under Factories Act, 1948 and rules made thereunder)	Chief Inspector of Factories and Boilers, Administration of Daman and Diu (Union Territory) Daman	Registration No. 3605 License No. 3605	February 09, 2017	December 31, 2017
8.	Udyog Aadhar Memorandum	Ministry of Micro, Small and Medium Enterprises, Government of India	Udyog Aadhar Number – MH18E0006192	August 31, 2016	Perpetual

TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	Issuing Authority	Registration No./ Reference No./ License No.	Date of Issue	Validity
1.	Permanent Account Number (PAN)	Income Tax Department, Government of	AACCV4519J	April 21, 2007	Perpetual

Sr. No.	Authorisation granted	Issuing Authority	Registration No./ Reference No./ License No.	Date of Issue	Validity
		India			
2.	Tax Deduction Account Number (TAN)	Income Tax Department, Government of India	MUMV14626D	March 7, 2009	Perpetual
3.	Certificate of Registration (under Section 16 of the Maharashtra Value Added Tax Act, 2002 and rules made thereunder)	Sales Tax Officer, Mumbai VAT-C, Mazgaon	TIN No. 27670606460V Certificate Number - MH0V A 211216	July 3, 2015 Date of effectiveness: April 1, 2007	Until cancelled
4.	Certificate of Amendment of existing registration (under Section 21 (3) read with Rule 15 (2) of the Daman and Diu Value Added Tax Regulations and Rules, 2005)	Assistant Value Added Tax Officer, VAT Department, Daman	TIN No. 25000007747	July 6, 2011	NA
5.	Certificate of Registration Central Sales Tax (Under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Sales Tax Officer, MUM-VAT C 103, Mazgaon, Mumbai.	TIN No: 27670606460C Certificate Number: MH01 C 911442	July 3, 2016 Valid From: April 1, 2007	Until cancelled
6.	Certificate of Amendment (under Rule 7 (1) of the Central Sales Tax (Registration & Turnover) Rules, 1957)	Assistant Value Added Tax Officer, VAT Department, Daman	Registration Certificate Number: DA/(CST)/7185	July 6, 2011	NA
7.	Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)	Superintendent, Service Tax Division – III, Service Tax Comissionerate – VII, Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	Service Tax Code: AACCV4519JS D002	Original ST-2: August 26, 2015	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./ Reference No./ License No.	Date of Issue	Validity
8.	Certificate of Registration of Service Tax for Primary Manufacturing Unit (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)	Superintendent, Central Excise, Customs and Service Tax, Range - 1, Division - North	Service Tax Code: AACCV4519JS D001	September 2, 2013	NA
9.	Central Excise Registration Certificate (under Rule 9 of the Central Excise Rules, 2002)	Deputy Commissioner of Central Excise, Central Excise, Customs and Service Tax, Daman	AACCV4519JX M001	June 13, 2006	Till Registrant carries on the activity for which it is issued or surrenders it or till it is revoked or suspended
10.	Central Excise Registration Certificate (under Rule 9 of the Central Excise Rules, 2002)	Deputy Commissioner of Central Excise, Central Excise, Customs and Service Tax, Daman	AACCV4519JX M002	August 10, 2011	Till Registrant carries on the activity for which it is issued or surrenders it or till it is revoked or suspended
11.	Professional Tax Enrolment Certificate (PTEC) (under section 5 (2A) of Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975 and the rules made thereunder)	Professional Tax Officer (13), Mumbai	P.T.E.C No: 99321695308P	August 04, 2009	NA
12.	Professional Tax Registration Certificate (PTRC) (under section 5 of Maharashtra State Tax on Professions, Trades, Callings and Employment, Act, 1975 and the	Profession Tax Officer, Department of Sales Tax (Profession Tax), Government of Maharashtra.	PTRC Number 27670606460P	January 21, 2013 Date of effectiveness: December 31, 2010	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./ Reference No./ License No.	Date of Issue	Validity
	rules made thereunder)				

LABOUR RELATED APPROVALS/REGISTRATIONS

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Regional Provident Fund Commissioner, Office of Regional Provident Fund Commissioner, Maharashtra	Code No.: MH/THN/204370	October 12, 2011

ENVIRONMENT RELATED LICENSES /APPROVALS/ REGISTRATIONS

Company has made an Application no. 5864 dated December 25, 2016 to the Pollution Control Office Committee – Union Territories of Daman & Diu and Dadra and Nagar Haveli for Consent to Establish for Primary Manufacturing Unit under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974, Consent for emission under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation / Renewal of Authorisation under Rule 5 of the Hazardous Wastes (Management, handling & Trans boundary movement) Rules 2008 and the same is currently pending.

OTHER BUSINESS RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Registration Certificate for AIR PC (ADPM) model P1551 with a Brand Name Panache For Compliance with IS 13252 (Part I) : 2010	Bureau of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Govt of India	R-75000272	June 4, 2015 Date of Effectiveness: June 1, 2015	May 31, 2017
2	Registration Certificate for LED TV model EL3901 with a Brand Name Panache For Compliance with IS 616:2010/ IEC 60065:2005	Bureau of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Govt of India	R- 71000884	November 3, 2016 Date of Effectiveness: October 27, 2016	October 26, 2018
3	Registration Certificate for LED TV model EL5501, EL5001, EL4001, SL5001, SL4001 with a Brand Name Panache	Bureau of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Govt of India	R- 41051870	September 29, 2016 Date of Effectiveness: September 22, 2016	September 21, 2018

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
	For Compliance with IS 616:2010				
4	Registration Certificate for Panel PC model VTPPC5K with a Brand Name IP TRADE For Compliance with IS 13252 (Part 1):2010	Bureau of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Govt of India	R- 75000213	September 9, 2016 Date of Effectiveness: September 15, 2016	September 14, 2018
5	Registration Certificate for Thin Client (ADPM) model VTTC2K, VTTC3K, VTTC4K with a Brand Name Panache For Compliance with IS 13252 (Part 1):2010	Bureau of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Govt of India	R- 75000353	September 27, 2016 Valid from: October 17, 2015	October 16, 2017
6	Certificate of Registration for compliance with Quality Management System Norms of ISO 9001:2008 in the manufacturing of personal computers, small form factor and customized computer systems	United Registrar of Systems – ISO 9001	Certificate Numbers: i) 36834/A/0001/UK/En ii) 36834/B/001/NB/E n	Date of Issue (Original): December 4, 2009 Date of Issue: December 4, 2015	September 14, 2018
7	Certificate of Conformity for Air PC model P1551 For Compliance of Test Standards: ETSI EN 301 489-1 V1.9.2: 2011 ETSI EN 301 489-17 V2.2.1: 2012 ETSI EN 300 328 V1.8.1: 2012 EN 62311:2008 EN 60950-1:2006+A11:2009+A12:2011+A2:2013	Manager, Shenzhen Toby Technology Co. Ltd.	Certificate No.: TB150710936	August 6, 2015	NA
8	Certificate of Conformity for Air PC model P1551 with a Brand Name Panache For Compliance of Test Standards: 2011/65/EU 2006/66/EU IEC 62321:2013	Manager, Shenzhen Toby Technology Co. Ltd.	Certificate No.: TB150710937	August 07, 2015	NA

INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS

TRADEMARKS

Sr. No .	Trademark	Tradema rk Type	Clas s	Applicant	Applicati on No.	Date of Application	Validity / Renewa l	Regist ration status
1.		Device	9	Vardhaman Technology Private Limited	1601304	Septemb er 13, 2007	NA	Oppos ed

Our Company has entered a brand usage agreement dated October 04, 2016 with Rambhia IPR Services LLP for using its registered trademark “**PANACHE**” having a Trademark Registration Number 1612101 as a brand name in connection with IT Hardware Systems, Solutions and Services for a period of 3 years commencing from April 01, 2016 for consideration .

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

PENDING APPROVALS:

1. An Application for Single Window System (SWIFT) Clearance having acknowledgement number 8222 is made to Directorate of Industries, Daman and Diu on January 27, 2017 for renewal of operation of unit and the application is currently pending.

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

1. The abovementioned approvals are in the name of “VARDHAMAN TECHNOLOGY PRIVATE LIMITED” and Company is yet to apply for these approvals post change of name to “PANACHE DIGILIFE LIMITED”.
2. Change of address for Professional Tax Enrollment Certificate and Professional Tax Registration Certificate of the Company.



OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 17, 2017 and by the shareholders of our Company vide a special resolution pursuant to Section 62(1)(c) of the Companies Act, 2013 passed at the Extra-Ordinary General Meeting of our Company held on February 17, 2017 at the Registered Office of the Company.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Neither our Company nor any of our Company, our Directors, our Promoters, relatives of Promoters, our Promoter Group and our Group Companies has been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoter, Promoter Group, Directors or Group Companies have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority. Neither our Promoter, nor any of our Directors or persons in control of our Company were or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities.

None of our Directors are associated with the securities market in any manner, including securities market related business.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the EMERGE Platform of National Stock Exchange of India Limited for listing of our Equity Shares

We confirm that:

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the BRLM will underwrite at least 15 per cent of the total issue size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 66 of this Red Herring Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits the copy of Red Herring Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled "General Information" beginning on page 66 of this Red Herring Prospectus.

5. The Company has track record of 3 Years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application.
6. Net-worth of the company is positive.
7. The Company has not been referred to Board for Industrial and Financial Reconstruction.
8. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
9. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
10. The Company has a website: www.panachedigilife.com

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE AND WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE RED HERRING PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992

"WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
 - A. THE RED HERRING PROSPECTUS FILED WITH THE 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 RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS COMPANIES ACT, 1956, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE RED HERRING PROSPECTUS.
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY

COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE RED HERRING PROSPECTUS.

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED TO THE EXTENT APPLICABLE.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE, AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013, THE SHARES ISSUED IN THE PUBLIC ISSUE SHALL BE IN DEMAT FORM ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE RED HERRING PROSPECTUS:
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO

ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY (CHECKLIST ENCLOSED)
16. WE ENCLOSE STATEMENT ON ‘PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER’ AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.” COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE RED HERRING PROSPECTUS

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY 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 EQUITY SHARES OF THE ISSUER.

- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE RED HERRING PROSPECTUS.**
- (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 Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34 and 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in this Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Maharashtra, Mumbai in terms of Section 26 and 32 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.panachedigilife.com, would be doing so at his or her own risk.

Caution

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Book Running Lead Manager and our Company dated February 23, 2017, the Underwriting Agreement dated February 23, 2017 entered into among the Underwriter and our Company and the Market Making Agreement dated February 23, 2017 entered into among the Market Maker(s), Book Running Lead Manager and our Company.

Our Company and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, etc.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an ‘associate’ of the Company and is eligible to Book Running Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.



Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer “Annexure A” to this Red Herring Prospectus and the website of Book Running Lead Manager at www.pantomathgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as

participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Red Herring Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/376 dated March 21, 2017 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 this 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 NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; 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 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 promoters, 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”.

FILING

The Draft Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 106(M) (3). However, a copy of the Red Herring Prospectus have been filed with SEBI at the SEBI Bhavan, Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India. A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra, India.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from EMERGE Platform of National Stock Exchange of India Limited. However application will be made to the EMERGE Platform of National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The EMERGE Platform of National Stock Exchange of India Limited has given its in-principal approval for using its name in our Red Herring Prospectus vide its letter No. NSE/LIST/376 dated March 21, 2017.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the EMERGE Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.



Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of the National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Banker to the Company and (b) Book Running Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue, Syndicate Member to the Issue to act in their respective capacities have been obtained and is filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus / Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

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

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits
- Report of the Peer Reviewed Auditor on Restated Financial Statements

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter "Objects of the Issue" beginning on page 96 of this Red Herring Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated February 23, 2017 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Book Running Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since Incorporation, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 77 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS

One of our Group Company, Panache Innovations Limited (Formerly known as Ruby Traders and Exporters Limited) is listed on Bombay stock exchange Limited. None of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the bidder, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant / Bidder, number of Equity Shares applied for, amount



paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants / bidders.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee/ Investor Grievance Committee of the Board *vide* resolution passed at the Board Meeting held on February 23, 2017. For further details, please refer to the chapter titled "*Our Management*" beginning on page 172 of this Red Herring Prospectus.

Our Company has appointed Jinkle Khimsaria as Company Secretary and Compliance Officer and she may be contacted at the following address:

Jinkle Khimsaria

Panache Digilife Limited

(Formerly known as Vardhaman Technology Limited)

Unit No. 201/B, Raheja Plaza-1,

L.B.S. Marg, Ghatkopar (West)

Mumbai - 400086, Maharashtra, India

Tel: +91 22-25007502

Fax No.: +91 22-25007502

Email: compliance@panachedigilife.com

Website: www.panachedigilife.com

Corporate Identification Number: U72200MH2007PLC169415

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

There are no changes in Auditors during the last three financial years

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 77 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY

Except as disclosed in this Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, Our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.



SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 2, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The Listing Regulations have become effective from December 1, 2015.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allotees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 335 of this Red herring Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled “*Dividend Policy*” on page 197 of this Red herring Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price at the lower end of Price Band is Rs. [●] per Equity Share and at the higher end of the Price Band is Rs. [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in all edition of the English national newspaper Business Standard, all edition of the Hindi national newspaper Business Standard and the Mumbai edition of Regional newspaper Mumbai Lakshadeep, each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the

purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page number 335 of this Red herring Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated March 08, 2017 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated March 02, 2017 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

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

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

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

NOMINATION FACILITY TO BIDDERS

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a

public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Red Herring Prospectus with Stock Exchange.

BID/ ISSUE OPENING DATE

Event	Indicative Date
Bid / Issue Opening Date	Tuesday, April 11, 2017
Bid / Issue Closing Date	Monday, April 17, 2017
Finalisation of Basis of Allotment with the Designated Stock Exchange	Thursday, April 20, 2017
Initiation of Refunds	Friday, April 21, 2017
Credit of Equity Shares to demat accounts of Allottees	Monday, April 24, 2017
Commencement of trading of the Equity Shares on the Stock Exchange	Tuesday, April 25, 2017

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

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Red Herring Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Red Herring Prospectus is Indian Standard Time.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price



Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

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

MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of National Stock Exchange of India Limited from SME Exchange on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

MARKET MAKING

The shares issued and transferred through this Issue are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 66 of this Red herring Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on EMERGE Platform of National Stock Exchange of India Limited.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allotees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.



RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 77 of this Red herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page 335 of this Red herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, our post issue face value capital does not exceed ten crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the NSE EMERGE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 275 and 285 of this Red Herring Prospectus.

Following is the issue structure:

Initial Public Issue of 18,00,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. [●] (including a premium of Rs. [●]) aggregating to Rs. [●]. The Issue comprises a Net Issue to the public of up to 17,07,200 Equity Shares (the "Net Issue"). The Issue and Net Issue will constitute 30.00% and 28.45% of the post-Issue paid-up Equity Share capital of our Company.

The issue comprises a reservation of upto 92,800 Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars	Net issue to Public*	Market Maker Reservation Portion
Number of Equity Shares	17,07,200 Equity Shares	92,800 Equity Shares
Percentage of Issue Size available for allocation	94.84 % of Issue Size	5.16 % of Issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of [●] equity shares and further allotment in multiples of [●] equity shares each. For further details please refer to the section titled " <i>Issue Procedure</i> " beginning on page 285 of the Red Herring Prospectus	Firm allotment
Mode of Bid cum Application	All Applicants/Bidders shall make the application (Online or Physical through ASBA Process only)	Through ASBA Process only
Minimum Bid Size	For QIB and NII Such number of Equity Shares in multiples of [●] Equity Shares such that the Application size exceeds Rs 2,00,000 For Retail Individuals [●] Equity shares	[●] Equity Shares of Face Value of Rs. 10.00 each
Maximum Bid Size	For Other than Retail Individual Investors: For all other investors the maximum application size is the Net Issue to public subject to limits as the investor has to adhere under the relevant laws and regulations as applicable. For Retail Individuals: [●]Equity Shares	[●] Equity Shares of Face Value of Rs 10 each
Mode of Allotment	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
Trading Lot	[●] Equity Shares	[●] Equity Shares, however

Particulars	Net issue to Public*	Market Maker Reservation Portion
		the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations
Terms of payment	The entire Bid Amount will be payable at the time of submission of the Bid Form	

*allocation in the net offer to public category shall be made as follows:

- (a) minimum fifty per cent. to retail individual investors; and
- (b) remaining to:
 - (i) individual applicants other than retail individual investors; and
 - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- (c) the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

For the purpose of sub-regulation 43 (4), *if the retail individual investor category is entitled to more than fifty per cent. on proportionate basis, the retail individual investors shall be allocated that higher percentage.*

In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserves the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue.

The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

BID/ ISSUE OPENING DATE

Event	Indicative Date
Bid / Issue Opening Date	Tuesday, April 11, 2017
Bid / Issue Closing Date	Monday, April 17, 2017
Finalisation of Basis of Allotment with the Designated Stock Exchange	Thursday, April 20, 2017
Initiation of Refunds	Friday, April 21, 2017
Credit of Equity Shares to demat accounts of Allottees	Monday, April 24, 2017
Commencement of trading of the Equity Shares on the Stock Exchange	Tuesday, April 25, 2017

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., all trading days of stock exchanges excluding Sundays and bank holidays.



ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document"), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under "Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form.

Bidders are required to submit Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Bid cum 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 National Stock Exchange of India Ltd. to act as intermediaries for submitting Bid cum Application Forms are provided on www.nseindia.com For details on their designated branches for submitting Bid cum Application Forms, please see the above mentioned NSE website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Bid cum Application Forms.

BOOK BUILDING PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via book building process wherein at least 50% of the Net Issue to Public is being issued to the Retail Individual Bidders and the balance shall be issued to QIBs and Non-Institutional Bidders. Further if the retail individual investor category is entitled to more than fifty per cent. on proportionate basis, the retail individual investors shall be allocated that higher percentage. However, if the aggregate demand from the Retail Individual Bidders is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion issued to the remaining investors including QIBs and NIIs and vice-versa subject to valid bids being received from them at or above the Issue Price.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on

a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the National Stock Exchange of India (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals bidding under the QIB Portion), applying on a repatriation basis	Blue

*excluding electronic Bid cum Application Form

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Red Herring 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. ASBA Bidders are required to ensure that the has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

- i) an SCSB, with whom the bank account to be blocked, is maintained

- ii) a syndicate member (or sub-syndicate member)
- iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v) a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

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. upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). 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 authorised our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants.

WHO CAN BID?

In addition to the category of Bidders set forth under "***General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue***", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Bidders:

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 2,00,000.

b) For Other Bidders (Non-Institutional Bidders and QIBs):

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid.** The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders,

who are individuals, have to ensure that the Bid Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

INFORMATION FOR THE BIDDERS

- a. Our Company shall file the Red Herring Prospectus with the RoC at least three working days before the Bid / Issue Opening Date.
- b. Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c. The Price Band as decided by our Company in consultation with the Book Running Lead Manager is Rs. [●] per Equity Share. The Floor Price of Equity Shares is Rs. [●] per Equity Share and the Cap Price is Rs. [●] per Equity Share and the minimum bid lot is of [●] Equity Shares. Our Company shall also announce the Price Band at least five Working Days before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation.
- d. This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement shall be disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and shall also be pre-filled in the Bid cum Application Forms available on the websites of the stock exchanges.
- e. The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.

The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid cum Application Form is liable to be rejected.

OPTION TO SUBSCRIBE IN THE ISSUE

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single Bid cum application from any investor shall not exceed the investment limit / minimum number of specified securities that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law

AVAILABILITY OF RED HERRING PROSPECTUS AND BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

APPLICATIONS BY ELIGIBLE NRI'S/RFPI'S ON REPATRIATION BASIS

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our



Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

PARTICIPATION BY ASSOCIATED/AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATIONS BY ELIGIBLE NRI'S

NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour)

BIDS BY FPI INCLUDING FIIS

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and

aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.



In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, (the "IRDA Investment Regulations") are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.

- c) With respect to Bids made by provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid Cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the ASBA Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

Bid cum Application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum



applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

TERMS OF PAYMENT

Terms of Payment

The entire Issue Price of Rs. [●] per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism for Bidders

The Bidders shall specify the bank account number in the Bid cum Application Form and the SCSBs shall block an amount equivalent to the Bid cum Application Amount in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the Bid cum 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 finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the bid cum application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated February 23, 2012.
- b) A copy of the Red Herring Prospectus and Prospectus will be filed with the RoC in terms of Section 32 of the Companies Act, 2013 and section 26 of the Companies Act, 2013.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii)

Regional Newspaper, each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
8. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
9. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
11. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the

beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

13. Ensure that the Demographic Details are updated, true and correct in all respects;
14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
15. Ensure that the category and the investor status is indicated;
16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
17. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
18. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
19. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
20. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
21. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
22. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Dont's:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;

9. Do not Bid for a Bid Amount exceeding Rs. 200,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit more than five Bid cum Application Forms per ASBA Account;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

COMMUNICATIONS

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Bidders can contact the Compliance Officer or the Registrar in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

IMPERSONATION

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447.”

UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at EMERGE Platform of National Stock Exchange of India Limited where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. That our Promoter’s contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
7. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. If our Company withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
9. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;

2. details of all monies utilized out of the issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated March 08, 2017 among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated March 02, 2017 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no INE895W01019.

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders should rely on their own examination of the Issue and the Issuer, and should carefully read the Red Herring prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through the Book-Building Process as well as to the Fixed Price Issue. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders in IPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Bidders should note that investment in equity and equity related securities involves risk and Bidder should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring



Prospectus (“RHP”)/Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders 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. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the Red Herring Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer. For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post- issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and up to twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

2.3 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 (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. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, issue has to be 100% underwritten and the BRLM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of

proposed allottees in the issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Book Running Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the BRLM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the issue.
- (e) The company should have track record of at least 3 years
- (f) The company should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive
- (g) The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crore.
- (h) The issuer shall mandatorily facilitate trading in demat securities.
- (i) The issuer should not have been referred to Board for Industrial and Financial Reconstruction.
- (j) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company
- (k) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the issuer
- (l) The Company should have a website. Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this issue.

Thus Company is eligible for the issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1000 Lakhs. Company also complies with the eligibility conditions laid by the EMERGE Platform of NSE for listing of our Equity Shares.

2.4 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (**“Book Built issues”**) or undertake a Fixed Price Issue (**“Fixed Price Issues”**). An issuer may mention Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and Floor price or price band in the red herring prospectus (in case of a book built issue) and determine the price at a later date before registering the prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue



Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Bidders should refer to the RHP/ Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM and the advertisement in the newspaper(s) issued in this regard

2.6 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

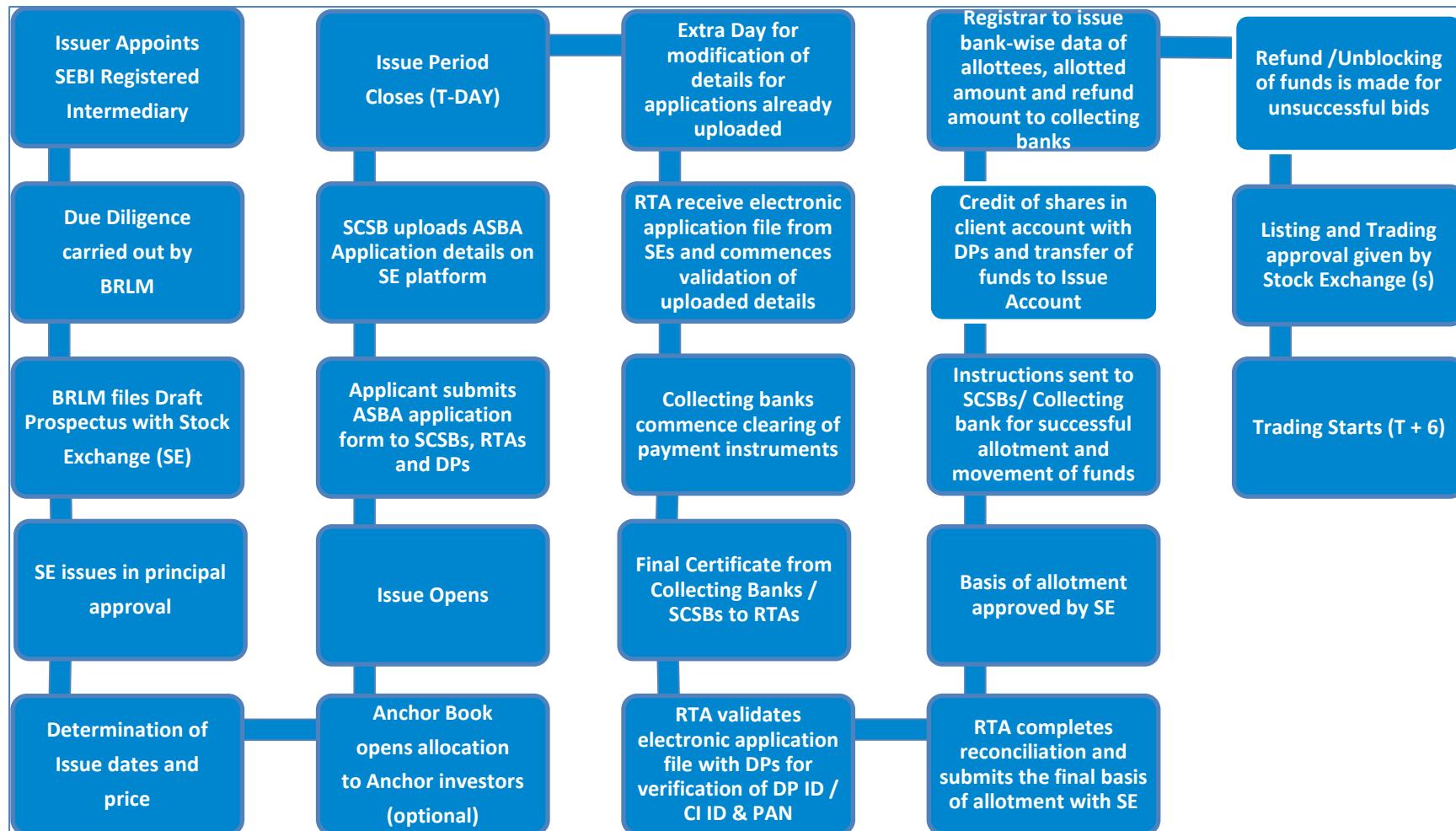
- (a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- (b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.7 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidders should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the book running lead manager, members of the Syndicate, Registered Brokers, Designated Intermediaries at Branches of the Bidding Centres, SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP.

Fixed Price Issue: Applicants should only use the specified cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form (Excluding downloaded forms from SE website)
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders applying in the reserved category	Not Applicable

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ ASBA FORM

Bidders may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/ Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:



R Bid cum Application Form

TEAR HERE COMMON BID CUM APPLICATION FORM	<p align="center">PANACHE DIGILIFE LIMITED - INITIAL PUBLIC ISSUE - R (Formerly known as Vardhaman Technology Limited)</p> <p>Registered Office: Unit No. 201/B, Raheja Plaza-1, L.B.S. Marg, Ghatkopar (West), Mumbai - 400086, Maharashtra, India. Tel. No. +91 22-25007502; Fax No. +91 22-25007502; CIN: U72200MH2007PLC169415 E-mail: compliance@vardhamantechology.com ; Website: www.panachedigilife.com</p>	FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS																																																																																																																																																																																																																																									
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NR Bid cum Application ASBA Form

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COMMON BID CUM APPLICATION FORM	PANACHE DIGILIFE LIMITED - INITIAL PUBLIC ISSUE - NR (Formerly known as Vardhaman Technology Limited) Registered Office: Unit No. 201/B, Raheja Plaza-1, L.B.S. Marg, Ghatkopar (West), Mumbai - 400086, Maharashtra, India. Tel. No. +91 22-25007502; Fax No. +91 22-25007502; CIN: U72200MH2007PLC169415 E-mail: compliance@vardhamantechology.com Website: www.panachedigilife.com						FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FII's FPI'S OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS									
 To, The Board of Directors PANACHE DIGILIFE LIMITED			BOOK BUILT ISSUE ISIN - INE895W01019		Bid Cum Application Form No.											
SYNDICATE MEMBER'S STAMP & CODE			BROKER'S / SCSB / CDP / RTA STAMP & CODE													
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE			ESCROW BANK / SCSB BRANCH STAMP & CODE													
BANK BRANCH SERIAL NO.			SCSB SERIAL NO.													
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS			<input type="checkbox"/> NSDL		<input type="checkbox"/> CDSL											
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.																
4. BID OPTIONS (Only Retail individual Bidders can BID at "Cut-Off"). Price band Rs. 00 - Rs. 00																
Bid Options		No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)		Price per Equity Share (₹) / "Cut-off"												
		8	7	6	5	4	3	2	1	3	2	1	3	2	1	3
Option 1				Bid Price	Retail Discount	Net Price	"Cut-Off" (Please '✓' tick)									
(OR) Option 2																
(OR) Option 3																
7. PAYMENT DETAILS					PAYMENT OPTION : Full Payment <input type="checkbox"/>											
Amount Paid (₹ in Figures)					(₹ in words)											
ASBA Bank A/c No.																
Bank Name & Branch																
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS' UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.																
8.A. SIGNATURE OF SOLE / FIRST BIDDER			8.B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>If/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer</small>		SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)											
Date: , 2017			1) _____ 2) _____ 3) _____													
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 PANACHE DIGILIFE LIMITED - INITIAL PUBLIC ISSUE - NR			Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA		Bid Cum Application Form No.											
DPID / CLID																
Amount Blocked (₹ in figures)			ASBA A/c. No.													
Bank & Branch																
Received from Mr./Ms./M/s.																
Telephone / Mobile			Email													
TEAR HERE																
PANACHE DIGILIFE LIMITED INITIAL PUBLIC ISSUE - NR			Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA		Name of Sole / First Bidder											
No.of Equity Shares			Option 1	Option 2	Option 3											
Bid Price																
Amount Blocked (₹)																
ASBA Bank A/c No.:																
Bank & Branch:																
TEAR HERE																
Acknowledgment Slip for Bidder																
Bid Cum Application Form No.																
PANACHE DIGILIFE LIMITED																

4.1.1 : NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER

Bidders should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Bidders should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Bidders should note that the contact details mentioned in the Bid cum Application Form/ Application Form may be used to dispatch communications) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **Joint Bids:** In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder would be required in the Bid cum Application Form/ Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form/ Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **Impersonation:** Attention of the Bidders is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who:

- *makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or*
- *makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,*

Shall be liable for action under section 447 of the said Act.

- (d) **Nomination Facility to Bidder:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

4.1.2 PAN NUMBER OF SOLE /FIRST BIDDER

- a) PAN (of the sole/first Bidder) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids on behalf of the Central or State Government, Bids by officials appointed by the courts and Bids by Bidders residing in Sikkim ("PAN Exempted Bidders"). Consequently, all Bidders, other than the PAN Exempted Bidders, are required to disclose their PAN in the Bid cum Application Form, irrespective of the Bid Amount. Bids by the Bidders whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c) The exemption for the PAN Exempted Bidders is subject to (a) the Demographic Details

received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

- d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.
- e) Bids by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

4.1.3 BIDDERS DEPOSITORY ACCOUNT DETAILS

- a) Bidder should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the **Bid cum Application Form is liable to be rejected.**
- b) Bidder should ensure that the beneficiary account provided in the Bid cum Application Form is active.
- c) Bidder should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to the offer.
- d) Bidders are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders’ sole risk.

4.1.4 : BID OPTIONS

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs undertaken through the Book Building Process. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Bid Value and Bid Lot:** The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum Bid value is within the range of above Rs.1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid value.
- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining

available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.
- b) In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.
- e) RII may revise or withdraw their bids until Bid/Offer Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- f) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least Rs 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Offer Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the issue size.
- i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the issue Price, the number of Equity Shares Bid for by a Bidder at or above the issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process.

4.1.4.2 Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.
- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
 - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
 - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- (c) The following Bids may not be treated as multiple Bids:
 - i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Offer portion in public category.
 - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
 - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
 - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

4.1.5 CATEGORY OF BIDDERS

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- (b) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders may refer to the RHP.
- (c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the RHP.

4.1.6 INVESTOR STATUS

- (a) Each Bidder should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidder, such as NRIs, FPIs and FVCIs may not be allowed to Bid/apply in the Issue or hold Equity Shares exceeding certain limits specified under

applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.

- (c) Bidders should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders should ensure that their investor status is updated in the Depository records.

4.1.7 PAYMENT DETAILS

- i. The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the Bid cum Application Form. If discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- ii. Bid Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- iii. Bidders who Bid at Cut-off Price shall DEPOSIT the Bid Amount based on the Cap Price.
- iv. All Bidders can participate in the Offer only through the ASBA mechanism.
- v. Please note that, providing bank account details in the space provided in the Bid cum Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1. Payment instructions for Bidders

- a) Bidders may submit the Bid cum Application Form either
 - i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - ii. in physical mode to any Designated Intermediary.
- b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.
- d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bid cum Application Forms can be submitted.
- f) Bidders should submit the Bid cum Application Form only at the Bidding Centre i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations
- g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that Bid cum Application Forms submitted to such Designated Intermediary may not be

accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit Bid cum Application Forms.

- h) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.
- l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs
- m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.8. 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 Bids transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.
- (d) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bidders, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 6 Working Days of the Bid/Issue Closing Date.

4.1.8.1. Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
 - (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
 - (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).
- Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

4.1.8.2. Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9. SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Bidder, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Bids, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid/ amount mentioned in the Bid cum Application Form.
- (d) Bidders must note that Bid cum Application Form without signature of Bidder and /or ASBA Account holder is liable to be rejected.

4.1.10. ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bid made in the Offer should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Bidders should contact the Registrar to the Issue.
 - ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.
 - iii. Bidders may contact the Company Secretary and Compliance Officer or BRLM in case of any other complaints in relation to the Offer.
 - iv. In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
 - v. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker
 - vi. In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
 - vii. In case of Bids submitted to the DP, the Bidders should contact the relevant DP.
- (c) The following details (as applicable) should be quoted while making any queries -
 - i. Full name of the sole or First Bidder, Bid cum Application Form number, Bidder' DP

- ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.
- ii. name and address of the Designated Intermediary, where the Bid was submitted; or

For further details, Bidder may refer to the Red Herring Prospectus and the Bid cum Application Form.

4.2. INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/Offer Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise / withdraw their Bid till closure of the Bid/Offer period.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Bidder can make this revision any number of times during the Bid/Offer Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the SCSB through which such Bidder had placed the original Bid.

A sample Revision form is reproduced below:



Revision Form – R

COMMON BID REVISION FORM	PANACHE DIGILIFE LIMITED - INITIAL PUBLIC ISSUE - R <small>(Formerly known as Vardhaman Technology Limited)</small> <small>Registered Office: Unit No. 201/B, Raheja Plaza-1, L.B.S. Marg, Ghatkopar (West), Mumbai - 400086, Maharashtra, India. Tel. No. +91 22-25007502; Fax No. +91 22-25007502; CIN: U72200MH2007PLC169415 E-mail: compliance@vardhamantechology.com ; Website: www.panachedigitlife.com</small>		FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS		
To, The Board of Directors PANACHE DIGILIFE LIMITED		BOOK BUILT ISSUE ISIN - INE895W01019	Bid Cum Application Form No.		
SYNDICATE MEMBER'S STAMP & CODE		BROKER'S / SCSB / DP / RTA STAMP & CODE			
<input checked="" type="checkbox"/> SUB-BROKER'S/SUB-AGENT'S STAMP & CODE		ESCROW BANK /SCSB BRANCH STAMP & CODE			
<input checked="" type="checkbox"/> BANK BRANCH SERIAL NO.		SCSB SERIAL NO.			
PLEASE CHANGE MY BID					
4. FROM (AS PER LAST BID OR REVISION)					
Bid Options		No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (in Figures)			
		Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
<input checked="" type="checkbox"/> Option 1		<input checked="" type="checkbox"/> 8 <input type="checkbox"/> 7 <input type="checkbox"/> 6 <input type="checkbox"/> 5 <input type="checkbox"/> 4 <input type="checkbox"/> 3 <input type="checkbox"/> 2 <input type="checkbox"/> 1	<input checked="" type="checkbox"/> 4 <input type="checkbox"/> 3 <input type="checkbox"/> 2 <input type="checkbox"/> 1	<input checked="" type="checkbox"/> 3 <input type="checkbox"/> 2 <input type="checkbox"/> 1	<input checked="" type="checkbox"/> 4 <input type="checkbox"/> 3 <input type="checkbox"/> 2 <input type="checkbox"/> 1
<input type="checkbox"/> (OR) Option 2					
<input type="checkbox"/> (OR) Option 3					
5. TO (REVISED BID) (Only Retail individual Bidders can BID at "Cut-off")					
Bid Options		No. of Equity Shares Bid (in Figures) (Bids must be in multiples of Bid Lot as advertised)			
		Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
<input checked="" type="checkbox"/> Option 1		<input checked="" type="checkbox"/> 8 <input type="checkbox"/> 7 <input type="checkbox"/> 6 <input type="checkbox"/> 5 <input type="checkbox"/> 4 <input type="checkbox"/> 3 <input type="checkbox"/> 2 <input type="checkbox"/> 1	<input checked="" type="checkbox"/> 4 <input type="checkbox"/> 3 <input type="checkbox"/> 2 <input type="checkbox"/> 1	<input checked="" type="checkbox"/> 3 <input type="checkbox"/> 2 <input type="checkbox"/> 1	<input checked="" type="checkbox"/> 4 <input type="checkbox"/> 3 <input type="checkbox"/> 2 <input type="checkbox"/> 1
<input type="checkbox"/> (OR) Option 2					
<input type="checkbox"/> (OR) Option 3					
6. PAYMENT DETAILS		PAYMENT OPTION : Full Payment			
Additional Amount Paid (₹ in Figures) _____ (₹ in words) _____					
<input checked="" type="checkbox"/> ASBA Bank A/c No. _____ Bank Name & Branch _____ <input type="checkbox"/> _____					
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("CID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.					
7 A. SIGNATURE OF SOLE / FIRST BIDDER		7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>I/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer</small>			
Date: 2017		1) 2) 3)			
SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)					
TEAR HERE					
PANACHE DIGILIFE LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R		Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA			
Bid Cum Application Form No.					
PAN of Sole / First Bidder					
DPID / CLID: _____		<input type="checkbox"/> _____			
Additional Amount Blocked (₹ in figures) _____		ASBA A/c. No. _____			
Bank & Branch _____		Stamp & Signature of SCSB Branch			
Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____					
TEAR HERE					
PANACHE DIGILIFE LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R		Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA			
No. of Equity Shares _____		Name of Sole / First Bidder			
Bid Price _____		Acknowledgment Slip for Bidder			
Additional Amount Blocked (₹) _____		Bid Cum Application Form No.			
ASBA Bank A/c No.: _____		<input type="checkbox"/> _____			
Bank & Branch: _____		TEAR HERE			

Revision Form – NR

COMMON BID REVISION FORM	<p align="center">PANACHE DIGILIFE LIMITED - INITIAL PUBLIC ISSUE - NR (Formerly known as Vardhaman Technology Limited)</p> <p>Registered Office: Unit No. 201/B, Raheja Plaza-1, L.B.S. Marg, Ghakopar (West), Mumbai - 400086, Maharashtra, India. Tel. No. +91 22-25007502; Fax No. +91 22-25007502; CIN: U72200MH2007PLC169415 E-mail: compliance@vardhamantechology.com ; Website: www.panachedigilife.com</p>		<p align="center">FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS</p>					
 To, The Board of Directors PANACHE DIGILIFE LIMITED		BOOK BUILT ISSUE ISIN - INE895W01019	Bid Cum Application Form No.					
SYNDICATE MEMBER'S STAMP & CODE		BROKER'S / SCSB / DP / RTA STAMP & CODE						
<input type="checkbox"/> SUB-BROKER'S/SUB-AGENT'S STAMP & CODE		ESCROW BANK / SCSB BRANCH STAMP & CODE						
<input type="checkbox"/> BANK BRANCH SERIAL NO.		SCSB SERIAL NO.						
PLEASE CHANGE MY BID								
4. FROM (AS PER LAST BID OR REVISION)								
Bid Options		No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)			Price per Equity Share (₹) / "Cut-off" (In Figures)			
		8 7 6 5 4 3 2 1	4 3 2 1	3 2 1	4 3 2 1	"Cut-off" (Please ✓ tick)		
Option 1								
(OR) Option 2								
(OR) Option 3								
5. TO (REVISED BID) (Only Retail individual Bidders can BID at "Cut-off")					Price per Equity Share (₹) / "Cut-off" (In Figures)			
Bid Options		No. of Equity Shares Bid (in Figures) (Bids must be in multiples of Bid Lot as advertised)			Price per Equity Share (₹) / "Cut-off" (In Figures)			
		8 7 6 5 4 3 2 1	4 3 2 1	3 2 1	4 3 2 1	"Cut-off" (Please ✓ tick)		
Option 1								
(OR) Option 2								
(OR) Option 3								
6. PAYMENT DETAILS					PAYMENT OPTION : Full Payment			
Additional Amount Paid (₹ in Figures)					₹ in words			
<input type="checkbox"/> ASBA Bank A/c No.					<input type="checkbox"/> Bank Name & Branch			
<input type="checkbox"/>					<input type="checkbox"/>			
<small>I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS ("CID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.</small>					SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)			
7 A. SIGNATURE OF SOLE / FIRST BIDDER					7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)			
<small>I/We authorize the SCSB to do all acts as are necessary to make the Application in the Offer</small>					<small>I/We authorize the ASBA bank to do all acts as are necessary to make the Application in the Offer</small>			
Date: 2017					1) 2) 3)			
<small>TEAR HERE</small>					<small>TEAR HERE</small>			
PANACHE DIGILIFE LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - NR					Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA			
Bid Cum Application Form No.					<input type="checkbox"/> PAN of Sole / First Bidder			
DPID / CLID					<input type="checkbox"/>			
Additional Amount Blocked (₹ in figures)					ASBA A/c. No.			
Bank & Branch					<input type="checkbox"/> Stamp & Signature of SCSB Branch			
Received from Mr./Ms.					<input type="checkbox"/>			
Telephone / Mobile					Email			
<small>TEAR HERE</small>					<small>TEAR HERE</small>			
PANACHE DIGILIFE LIMITED - INITIAL PUBLIC ISSUE - NR					Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA			
No. of Equity Shares					Name of Sole / First Bidder			
Bid Price					<input type="checkbox"/>			
Additional Amount Blocked (₹)					Acknowledgment Slip for Bidder			
ASBA Bank A/c No.:					Bid Cum Application Form No.			
Bank & Branch:					<input type="checkbox"/>			
<small>TEAR HERE</small>					<small>TEAR HERE</small>			

4.2.1. NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2. BID OPTIONS REVISION ‘FROM’ AND ‘TO’

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Bidder must also mention the details of shares applied/bid for given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- (b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

4.2.3. PAYMENT DETAILS

- a) All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Bidder may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted

downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

- d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4. SIGNATURES AND ACKNOWLEDGEMENTS

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3. SUBMISSION OF REVISION FORM/ BID CUM APPLICATION FORM /APPLICATION FORM

4.3.1. Bidders may submit completed Bid cum Application form / Revision Form in the following manner:-

Mode of Bid	Submission of Bid cum Application Form
All investors Bids	To the Bid cum Application Collecting Intermediaries as mentioned in the Red herring Prospectus/ Bid cum Application Form

Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidders had placed the original Bid.

SECTION 5: INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

This being book built issue procedure for fixed price issue is not applicable.

SECTION 6- ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

6.1 SUBMISSION OF BIDS

- a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the RHP.

6.2 ELECTRONIC REGISTRATION OF BIDS

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day

following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

6.3 BUILD UP OF THE BOOK

- a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/Issue Period.
- b. Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

6.4 WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

6.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- a) **The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:**
 - 1) the Bids accepted by the Designated Intermediaries,
 - 2) the Bids uploaded by the Designated Intermediaries, and
 - 3) the Bid cum Application Forms accepted but not uploaded by the Designated Intermediaries.
- b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

GROUNDS OF REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;

- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the RHP and as per the instructions in the RHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges; and
- Where no confirmation is received from SCSB for blocking of funds
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;

- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Details of ASBA Account not provided in the Bid cum Application Form

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.
- d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs.20 to Rs 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price

at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

This being Book Built Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the EMERGE Platform of National Stock Exchange of India Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category x number of Shares applied for).
- (b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted [●] equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- (d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this RHP.
- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Bidders as described below:

- i. As per regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
- ii. The balance net offer of shares to the public shall be made available for allotment to
 - individual bidders other than retail individual investors and
 - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
- iii. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to bidders in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/- .Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.

The Executive Director / Managing Director of the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
 - (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**
- Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
 - (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such

permission is sought are disclosed in Red Herring Prospectus/ Prospectus. The Designated Stock Exchange may be as disclosed in the Red Herring Prospectus/ Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders in pursuance of the RHP/Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, 2013 and as disclosed in the RHP.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

Within 6 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bids and also for any excess amount blocked on Bids.

8.3.1 Mode of making refunds

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Bid/Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the respective portion of the Offered Shares by each of the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Application Supported by Blocked Amount Form/ASBA Form	An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Mumbai and Ahmedabad
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus.
Banker(s) to the Offer	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public offer Account will be opened and in this case being ICICI Bank Limited and IndusInd Bank Limited
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Offer and which is described under chapter titled “Issue Procedure” beginning on page 285 of this Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/Offer Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid cum Application	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered

Term	Description
Form	as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bid/ Issue Opening Date	April 11, 2017, the date on which the Syndicate and SCSBs shall start accepting Bids
Bid/ Issue Closing Date	April 17, 2017, the date after which the Syndicate and SCSBs shall not accept any Bids
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidder	Any prospective investor who makes a Bid/Application pursuant to the terms of the DRHP/RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers or BRLM	The book running lead managers to the Offer namely Pantomath capital Advisors Private Limited
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of National Stock Exchange of India Limited.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Offer Price will not be finalised and above which no Bids will be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Bid cum Applications under this Offer by the ASBA Applicants with the Registrar to the Offer and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time

Term	Description
Cut-off Price	Offer Price, which shall be any price within the Price Band finalised by our Company and the Selling Shareholders in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (exc Anchor Investor) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Locations	Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Date	The date on which the Collection Banks transfer funds from the public issue Accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Offer Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Fresh Issue and the Selling Shareholders may give delivery instructions for the transfer of the respective Offered Shares.
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Offer
Designated Locations	Such centres of the RTAs where Bidder can submit the Bud cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Exchange	The designated stock exchange as disclosed in the Red herring prospectus/ Prospectus of the issuer
Discount	Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated February 27, 2017 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer

Term	Description
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP
Equity Shares	Equity Shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price will be finalised and below which no Bids will be accepted
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
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Issue	The initial public Issue of up to 18,00,000 Equity Shares of face value of Rs.10 each for cash at a price of Rs. [●] each, aggregating up to Rs.[●]
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the DRHP/RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
Net Offer	The Offer less reservation portion
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the DRHP/RHP/Prospectus and the Bid cum Application Form
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIIs and who have Bid for Equity Shares for an amount of more than □ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the

Term	Description
	DRHP/RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
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 had taken benefits under the general permission granted to OCBs under FEMA
Offer Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus The Offer Price will be decided by our Company and the Selling Shareholders in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus
Other Investors	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price The Offer Price may be decided by the Issuer and the Selling Shareholders in consultation with the Book Running Lead Manager(s)
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs.[●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company in consultation with the BRLM and will be advertised at least five Working Days prior to the Bid/ Issue Opening Date, in all edition of the English national newspaper Business Standard, all edition of the Hindi national newspaper Business Standard and Mumbai edition of the Marathi newspaper Mumbai Lakshadeep, each with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Offer and certain other information
Public Offer Account	Account opened with the Banker to the Offer i.e. ICICI Bank Limited and IndusInd Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
Red Herring Prospectus or RHP	The Red Herring Prospectus issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date

Term	Description
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Offer, in this case being Bigshare Services Private Limited having registered office at E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri East, Mumbai – 400 072, Maharashtra, India
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bid cum Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Reservation Portion	The portion of the offer reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
RTGS	Real Time Gross Settlement
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised_Intermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the DRHP/RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate Agreement	Agreement dated February 23, 2017 entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Pantomath Stock Brokers Private

Term	Description
	Limited
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated February 23, 2017 entered into between the Underwriter and our Company
Working Day	<ol style="list-style-type: none"> 1. Till Application / Issue closing date: All days other than a Saturday Sunday or a public holiday 2. Post Application / Issue closing date and till the Listing of Equity Shares: All trading days, of stock exchanges excluding Sundays and public holidays, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 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 Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are Foreign Investment Promotion Board (“**FIPB**”) and the Reserve Bank of India (“**RBI**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2016 (“**FDI Policy 2016**”), which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. Further, DIPP has issued Press note 5, dated June 24, 2016 which introduces few changes in FDI Policy 2016. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2016 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2016, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors 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. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2016, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types

of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FII, FPI, NRI, FVCI, LLPs, DRs and Investment Vehicles under Schedule 1, 2, 2A, 3, 6, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49 % or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

i. Investment by FIIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of share/s convertible debentures by a registered FII under PIS the total holding by each FII/SEBI approved sub-account of FII shall not exceed 10 % of the total paid-up equity capital or 10% of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all FIIs/sub-accounts of FIIs put together shall not exceed 24 % of paid-up equity capital or paid-up value of each series of convertible debentures. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body. For arriving at the ceiling on holdings of FIIs, shares/ convertible debentures acquired both through primary as well as secondary market will be included. However, the ceiling will not include investment made by FII through off-shore Funds, Global Depository receipts and Euro-Convertible Bonds. With regard to convertible debentures, these investments permitted to be made shall not exceed 5 % of the total paid-up equity capital or 5% of the paid-up value of each series of convertible debentures issued by an Indian Company, and shall also not exceed the over-all ceiling limit of 24 % of paid-up equity capital or paid up value of each series of convertible debentures.

ii. Investment by Registered Foreign Portfolio Investor (RFPI) under Foreign Portfolio Investment (FPI) Scheme

With respect to purchase/sale of shares or convertible debentures or warrants, a RFPI registered in accordance with SEBI (FPI) Regulations, 2014 as amended in regular intervals may purchase shares or convertible debentures or warrants of an Indian company under FPI scheme. The total holding by each RFPI shall be below 10 % of the total paid-up equity capital or 10 % of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all RFPI put together shall not exceed 24 % of paid-up equity capital or paid up value of each series of convertible debentures. The said limit of 24 % will be called aggregate limit. However, the aggregate limit of 24 % may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its General Body. For arriving at the ceiling on holdings of RFPI, shares or convertible debentures or warrants acquired both through primary as well as secondary market will be included. However, the ceiling will exclude investment made by RFPI through of off-shore Funds, Global Depository Receipts and Euro-Convertible Bonds but include holding of RFPI and deemed RFPI in the investee company for computation of 24 % or enhanced limit.

iii. Investment by NRI on repatriation and non-repatriation basis under PIS:

With respect to purchase/sale of shares and/or convertible debentures by a NRI on a stock exchange in India on repatriation and/or non-repatriation basis under PIS is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2000. Further, with regard to limits:

- the paid-up value of shares of an Indian company, purchased by each NRI both on repatriation and on non-repatriation basis, does not exceed 5 % of the paid-up value of shares issued by the company concerned;
- the paid-up value of each series of convertible debentures purchased by each NRI both on repatriation and non-repatriation basis does not exceed 5 % of the paid-up value of each series of convertible debentures issued by the company concerned;
- the aggregate paid-up value of shares of any company purchased by all NRIs does not exceed 10 % of the paid up capital of the company and in the case of purchase of convertible debentures
- the aggregate paid-up value of each series of debentures purchased by all NRIs does not exceed 10 % of the paid-up value of each series of convertible debentures;

However, the aggregate ceiling of 10 % may be raised to 24 % if a special resolution to that effect is passed by the General Body of the Indian company concerned.

iv. Investment by NRI on Non-repatriation basis

As per current FDI Policy 2016, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase and sale of shares and convertible debentures or warrants by a NRI on Non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2000/3/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.

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

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, inter alia, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles

Sr. No	Particulars	
1.	No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Applicable.
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(e) *“The Company” shall mean Panache Digilife Limited Limited	Company
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	Executor or Administrator
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	(h) Words importing the masculine gender also include the feminine gender.	Gender
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	(j) The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	(k) "Meeting" or "General Meeting" means a meeting of members.	Meeting or General Meeting

Sr. No	Particulars	
	(l) "Month" means a calendar month.	Month
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	(q) "Office" means the registered Office for the time being of the Company.	Office
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.	Register of Members
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	Special Resolution
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
CAPITAL		
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
	b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares	Increase of capital by the Company

Sr. No	Particulars	how carried into effect
	which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
9.	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions shall take effect:</p> <ul style="list-style-type: none"> (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (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 "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share 	Provisions to apply on issue of Redeemable Preference Shares

Sr. No	Particulars	
	<p>capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	
10.	<p>The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	Reduction of capital
11.	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>	Debentures
12.	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>	Issue of Sweat Equity Shares
13.	<p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.</p>	ESOP
14.	<p>Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.</p>	Buy Back of shares
15.	<p>Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by</p>	Consolidation, Sub-Division And Cancellation

Sr. No	Particulars	
	the amount of the shares so cancelled.	
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	Issue of Depository Receipts
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
	MODIFICATION OF CLASS RIGHTS	
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	Modification of rights
19.	The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
20.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	Shares at the disposal of the Directors.
21.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
22.	The shares in the capital shall be numbered progressively according	Shares should be

Sr. No	Particulars	
	to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Numbered progressively and no share to be subdivided.
23.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	Acceptance of Shares.
24.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	Directors may allot shares as full paid-up
25.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc.to be a debt payable immediately.
26.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	Liability of Members.
27.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of Shares.
RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT		
28.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
CERTIFICATES		
29.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division,	Share Certificates.

Sr. No	Particulars	
	<p>consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
30.	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, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn	Issue of new certificates in place of those defaced, lost or destroyed.

Sr. No	Particulars	
	<p>out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	
31.	<p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p>	The first named joint holder deemed Sole holder.
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	Maximum number of joint holders.
32.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Company not bound to recognise any interest in share other than that of registered holders.
33.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.
UNDERWRITING AND BROKERAGE		
34.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
35.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
CALLS		
36.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of	Directors may make calls

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	<p>the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p>	
37.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
38.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	Calls to date from resolution.
39.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
40.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
41.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Calls to carry interest.
42.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
43.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books; and that notice of such call was duly given to the Member	Proof on trial of suit for money due on shares.

Sr. No	Particulars	
	or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	
44.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	Judgment, decree, partial payment motto proceed for forfeiture.
45.	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	Payments in Anticipation of calls may carry interest
	LIEN	
46.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	Company to have Lien on shares.
47.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived	As to enforcing lien by sale.

Sr. No	Particulars	
	and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	
48.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	Application of proceeds of sale.
FORFEITURE AND SURRENDER OF SHARES		
49.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	If call or installment not paid, notice may be given.
50.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	Terms of notice.
51.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in	On default of payment, shares to be forfeited.

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	respect of the forfeited share and not actually paid before the forfeiture.	
52.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member
53.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and may be sold etc.
54.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	Members still liable to pay money owing at time of forfeiture and interest.
55.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture.
56.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	Evidence of Forfeiture.
57.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares.
58.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of 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.	Cancellation of share certificate in respect of forfeited shares.
59.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment	Forfeiture may be remitted.

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	thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	
60.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint someperson to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only andagainst the Company exclusively.	Validity of sale
61.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
TRANSFER AND TRANSMISSION OF SHARES		
62.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	Execution of the instrument of shares.
63.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	Transfer Form.
64.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	Transfer not to be registered except on production of instrument of transfer.
65.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—	Directors may refuse to register transfer.

Sr. No	Particulars	
	(a) any transfer of shares on which the company has a lien. That registration of transfer shall however 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;	
66.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	Notice of refusal to be given to transferor and transferee.
67.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	No fee on transfer.
68.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debenture holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Closure of Register of Members or debentureholder or other security holders.
69.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
70.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
71.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
72.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.	Recognition of legal representative.

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	<p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	
73.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	Titles of Shares of deceased Member
74.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	Notice of application when to be given
75.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	Registration of persons entitled to share otherwise than by transfer. (Transmission clause).
76.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	Refusal to register nominee.
77.	Every transmission of a share shall be verified in such manner as	Board may require

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	the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	evidence of transmission.
78.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	Company not liable for disregard of a notice prohibiting registration of transfer.
79.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	Form of transfer Outside India.
80.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
NOMINATION		
81.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	Nomination
82.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-	Transmission of Securities by

Sr. No	Particulars	
	<p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	nominee
	DEMATERIALISATION OF SHARES	
83.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	Dematerialisation of Securities
	JOINT HOLDER	
84.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
85.	<p>(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.</p>	Joint and several liabilities for all payments in respect of shares.
	<p>(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;</p>	Title of survivors.
	<p>(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and</p>	Receipts of one sufficient.
	<p>(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall be deemed to be service on all the holders.</p>	Delivery of certificate and giving of notices to first named holders.

Sr. No	Particulars	
SHARE WARRANTS		
86.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	Power to issue share warrants
87.	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	Deposit of share warrants
88.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	Privileges and disabilities of the holders of share warrant
89.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	Issue of new share warrant coupons
CONVERSION OF SHARES INTO STOCK		
90.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	Conversion of shares into stock or reconversion.
91.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	Transfer of stock.
92.	The holders of stock shall, according to the amount of stock held by	Rights of stock

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	them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares , have conferred that privilege or advantage.	holders.
93.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	Regulations.
BORROWING POWERS		
94.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	Power to borrow.
95.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	Issue of discount etc. or with special privileges.
96.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	Securing payment or repayment of Moneys borrowed.
97.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board	Bonds, Debentures etc. to be under the

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	who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	control of the Directors.
98.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
99.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given.
MEETINGS OF MEMBERS		
100.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
101.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members (b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	Extra-Ordinary General Meeting by Board and by requisition When a Director or any two Members may call an Extra Ordinary General Meeting
102.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
103.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	Chairman of General Meeting
104.	No business, except the election of a Chairman, shall be discussed	Business confined

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	at any General Meeting whilst the Chair is vacant.	to election of Chairman whilst chair is vacant.
105.	<ul style="list-style-type: none"> a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. 	Chairman with consent may adjourn meeting.
106.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
107.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
108.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
VOTES OF MEMBERS		
109.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	Members in arrears not to vote.
110.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	Number of votes each member entitled.
111.	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	Casting of votes by a member entitled to more than one

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	cast in the same way all the votes he uses.	vote.
112.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	Vote of member of unsound mind and of minor
113.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
114.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
115.	a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Votes of joint members.
116.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	Votes may be given by proxy or by representative
117.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	Representation of a body corporate.
118.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable. (b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members paying money in advance. Members not prohibited if share not held for any specified period.

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119.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members.
120.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands.
121.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Appointment of a Proxy.
122.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.
123.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	Validity of votes given by proxy notwithstanding death of a member.
124.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	Time for objections to votes.
125.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote.
DIRECTORS		
126.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	Number of Directors
127.	A Director of the Company shall not be bound to hold any	Qualification

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128.	Qualification Shares in the Company.	shares. Nominee Directors.
129.	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.	
130.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	Appointment of alternate Director.
131.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	Additional Director
132.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	Directors power to fill casual vacancies.
	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended	Sitting Fees.

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	from time to time) for attending meetings of the Board or Committees thereof.	
133.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	Travelling expenses Incurred by Director on Company's business.
	PROCEEDING OF THE BOARD OF DIRECTORS	
134.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	Meetings of Directors.
135.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	Chairperson
136.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
137.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	Continuing directors may act notwithstanding any vacancy in the Board
138.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Directors may appoint committee.
139.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Committee Meetings how to be governed.
140.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time	Chairperson of Committee Meetings

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	appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	
141.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	Meetings of the Committee
142.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.
	RETIREMENT AND ROTATION OF DIRECTORS	
143.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
	POWERS OF THE BOARD	
144.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
145.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby declared that the Directors shall have the following powers, that is to say	Certain powers of the Board
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property , rights etc.
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to	To take on Lease.

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	accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	
(3)	To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	To erect & construct.
(4)	At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	To pay for property.
(5)	To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	To insure properties of the Company.
(6)	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts.
(7)	To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
(8)	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
(9)	To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company.
(10)	To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to	To conduct legal proceedings.

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	refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge.
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security by way of indemnity.
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested,	Transfer to Reserve Funds.

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	upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	To appoint and remove officers and other employees.
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the	To appoint Attorneys.

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	powers, authorities and discretion for the time being vested in them.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	To enter into contracts.
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	To make rules.
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contracts etc.
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	To pay commissions or interest.
	(26) To redeem preference shares.	To redeem preference shares.
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical	

Sr. No	Particulars	
	<p>and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p>	
	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	MANAGING AND WHOLE-TIME DIRECTORS	
146.	a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing	Powers to appoint Managing/ Wholetime

Sr. No	Particulars	
	<p>Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	Directors.
147.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	Remuneration of Managing or Wholetime Director.
148.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for</p>	Powers and duties of Managing Director or Whole-time Director.

Sr. No	Particulars	
	and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
149.	<p>a) Subject to the provisions of the Act,—</p> <ul style="list-style-type: none"> i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer
	THE SEAL	
150.	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	The seal, its custody and use.
151.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	Deeds how executed.
	Dividend and Reserves	
152.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of</p>	Division of profits.

Sr. No	Particulars	
	<p>calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	
153.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The company in General Meeting may declare Dividends.
154.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	Transfer to reserves
155.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend.
156.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
157.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend.
158.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.
159.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Articles .
160.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of	No Member to receive dividend whilst indebted to

Sr. No	Particulars	
	such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	the company and the Company's right of reimbursement thereof.
161.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
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 in respect of such share.	Dividend to joint holders.
163.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Dividends how remitted.
164.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	Notice of dividend.
165.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
CAPITALIZATION		
166.	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.	Capitalization.

Sr. No	Particulars	
	(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	
167.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	Fractional Certificates.
168.	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	Inspection of Minutes Books of General Meetings.
169.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	Inspection of Accounts

Sr. No	Particulars	
FOREIGN REGISTER		
170.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register.
DOCUMENTS AND SERVICE OF NOTICES		
171.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.
172.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings.
WINDING UP		
173.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
INDEMNITY		
174.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	Directors' and others right to indemnity.
175.	Subject to the provisions of the Act, no Director, Managing	Not responsible for

Sr. No	Particulars	
	Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	acts of others
	SECRECY	
176.	(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 pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	Access to property information etc.

SECTION IX – OTHER INFORMATION MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Unit No. 201/B, Raheja Plaza-1, L.B.S. Marg, Ghatkopar West Mumbai – 400086 from date of filing this Red Herring Prospectus with RoC to Bid Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated February 23, 2017 between our Company and the BRLM.
2. Registrar Agreement dated February 23, 2017 between our Company and Bigshare Services Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated February 23, 2017 between our Company and Underwriter viz. BRLM
4. Market Making Agreement dated February 23, 2017 between our Company, Market Maker and the BRLM.
5. Bankers to the Issue Agreement dated February 23, 2017 amongst our Company, the BRLM, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated March 08, 2017
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated March 02, 2017
8. Syndicate Agreement dated February 23, 2017 between our Company, the BRLMs and Syndicate Member viz. Pantomath Stock Brokers Private Limited.

Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time.
2. Resolutions of the Board of Directors dated February 17, 2017 in relation to the Issue and other related matters.
3. Special resolution of the Shareholders' passed at the Extra-ordinary General meeting dated February 17, 2017 authorizing the Issue.
4. Statement of Tax Benefits dated February 24, 2017 issued by our Peer Reviewed Auditor, M/s. Maharishi & Co., Chartered Accountants.
5. Report of the Peer Reviewed Auditor, Maharishi & Co., Chartered Accountants, dated February 24, 2017 on the Restated Financial Statements for the period ended December 31, 2017 and for the financial years ended as on March 31, 2016, 2015, 2014, 2013 & 2012 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Statutory Auditors, Peer Reviewed Auditors, Banker to the Company, Legal Advisor to the Issue, the Book Running Lead Manager, Registrar to the Issue, Underwriter, Lenders to the Company, Market Maker, Bankers to the Issue, Refund Banker to the Offer and Syndicate Member to the Issue to act in their respective capacities.
7. Copy of approval from EMERGE Platform of NSE Limited *vide* letter dated March 21, 2017, to use the name of NSE in this Issue document for listing of Equity Shares on EMERGE Platform of NSE Limited.

None of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Red Herring Prospectus are true and correct.

Signed by all the Directors, Chief Financial Officer and Company Secretary and Compliance Officer of our Company

Name and designation	Signature
Amit Rambhia <i>Chairman and Managing Director</i>	Sd/-
Nikit Rambhia <i>Joint Managing Director</i>	Sd/-
Devchand Rambhia <i>Whole Time Director</i>	Sd/-
Meeta Mehta <i>Additional Independent Director</i>	Sd/-
Rohit Mathur <i>Additional Independent Director</i>	Sd/-
Bhavin Shah <i>Additional Independent Director</i>	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance Officer of the Company

Sd/-

Sd/-

Nitesh Savla
Chief Financial Officer

Jinkle Khimsaria
Company Secretary & Compliance Officer

Place: Mumbai

Date: March 29, 2017

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Sakar Health Care Limited	14.85	50	October 14, 2016	52.80	-4.00% (-3.34%)	17.00% (-2.36%)	Not Applicable
2.	Bindal Exports Limited	1.99	16	October 17, 2016	17.00	0.31% (-4.45%)	22.18% (-0.88%)	Not Applicable
3.	Mewar Hi-Tech Engineering Limited	2.33	22	October 17, 2016	26.40	-23.75 (-4.45%)	-19.32% (-0.88%)	Not Applicable
4.	Shashijit Infraprojects Limited	3.49	15	October 17, 2016	15.25	0.00% (-4.45%)	10.00% (-0.88%)	Not Applicable
5.	Agro Phos India Limited	12.93	22	November 16, 2016	26.40	-6.59% (0.52%)	2.95% (6.75%)	Not Applicable
6.	Majestic Research Services and Solutions Limited	9.43	114	December 14, 2016	140.00	56.27% (2.42%)	60.35% (10.67%)	Not Applicable
7.	Maheshwari Logistics Limited	27.17.	68	January 16, 2017	71.80	5.51% (0.97%)	Not Applicable	Not Applicable
8.	Madhav Copper Limited	4.48	81	February 06, 2017	90.50	55.86% (1.66%)	Not Applicable	Not Applicable
9.	Chemcrux Enterprises Limited	2.40	18	March 28, 2017	21.60	Not Applicable	Not Applicable	Not Applicable
10.	Manomay Tex India Limited	11.41	30	March 28, 2017	32.40	Not Applicable	Not Applicable	Not Applicable

Note:- 1. Majestic Research Services and Solutions Limited is a Further Public Offering managed by Pantomath Capital Advisors Private Limited

2. Creative Peripherals and Distribution Limited has filed Prospectus with Registrar of Companies

3. Euro India Fresh Foods Limited, Bohra Industries Limited, and Oceanic Foods Limited are in the process of listing



Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.
5. As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO/FPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30 th Calendar day from listing date			Nos of IPOs trading at premium on 30 th Calendar day from listing date			Nos of IPOs trading at discount on 180 th Calendar day from listing date			Nos of IPOs trading at premium on 180 th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
13-14	*1	6.85	-	-	-	-	1	-	-	-	-	-	1	-
14-15	**5	56.84	-	-	-	-	-	5	-	-	-	-	1	4
15-16	***9	54.01	-	-	1	3	2	3	-	-	2	4	3	-
16-17	****22##\$	146.81	-	-	5	5	3	7	-	-	3	3	-	3

*The scripts of Si. Vi. Shipping Corporation Limited was listed on March 6, 2014.

**The scripts of Women's Next Loungeries Limited, Ultracab (India) Limited, Momai Apparels Limited, Jet Infraventure Limited and Supreme(India) Impex Limited were listed on April 21, 2014, October 10, 2014, October 16, 2014, November 25, 2014, and March 31, 2015 respectively.

***The scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited, Patdiam Jewellery Limited and Vidli Restaurants Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2015, August 12, 2015, October 01, 2015, October 16, 2015 and February 15, 2016 respectively.

****The scripts Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultant Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited, Agro Phos India Limited, Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Checmcrux Enterprises Limited and Manomay Tex India Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016, September 14, 2016, October 10, 2016, October 13, 2016, October 14, 2016, October 14, 2016, October 17, 2016, October 17, 2016, November 16, 2016, December 14, 2016, January 16, 2017, February 06, 2017, March 28, 2017 and March 28, 2017 respectively.

##The Scripts of Nandani Creation Limited, DRA Consultants Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited, Agro Phos India Limited, Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Checmcrux Enterprises Limited and Manomay Tex India Limited have not completed 180 Days,



180 Days, 30 Days and 30 Days respectively from the date of listing.

\$ As on 30th trading day the closing price of the scripts Ruby Cables Limited and Shashijit Infraprojects Limited were at par with the issue price. Hence, they are not considered for counting the number of IPOs trading at discount and premium. Summary statement of disclosure includes details of Majestic Research Services and Solutions Limited Further Public Offering (FPO).