



NANDANI CREATION LIMITED

Our Company was incorporated as "Nandani Creation Private Limited" at Jaipur, Rajasthan as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated February 21, 2012 bearing Corporate Identification Number U18101RJ2012PTC037976 issued by Registrar of Companies, Rajasthan. Subsequently, our Company was converted into Public Limited Company under Section 18 of the Companies Act, 2013; pursuant to Shareholders resolution passed at the Extraordinary General Meeting of our Company held on August 03, 2016 and the name of our Company was changed to "Nandani Creation Limited" and a fresh Certificate of Incorporation consequent upon Conversion from Private Company to Public Company dated August 12, 2016 was issued by the Registrar of Companies, Jaipur. The Corporate Identification Number of our Company is U18101RJ2012PLC037976. 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 62 and 160 respectively of this Prospectus.

Registered Office: F-95, Kartarpura Industrial Area, Near 22 Godam, Jaipur 302006
Tel. No.: +91 141 403 7596 **Fax No.:** Not Available
Company Secretary and Compliance Officer of the Company: Priya Kshetriya
Email: info@jaipurkurti.com; **Website:** www.jaipurkurti.com
PROMOTERS OF OUR COMPANY: Vandana Mundra and Anuj Mundra

THE ISSUE

PUBLIC ISSUE OF 14,44,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH ("EQUITY SHARES") OF NANDANI CREATION LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 28 PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. 18 PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING RS. 404.32 LAKHS ("THE ISSUE"), OF WHICH 76,000 EQUITY SHARES OF FACE VALUE RS. 10/- EACH FOR CASH AT A PRICE OF RS. 28 PER EQUITY SHARE, AGGREGATING RS. 21.28 LAKHS WILL BE RESERVED FOR SUBSCRIPTIONS BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 13,68,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 28 PER EQUITY SHARE, AGGREGATING RS. 383.04 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 48.96% AND 46.38% 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 AND THE ISSUE PRICE OF RS. 28 IS 2.8 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 256 of this Prospectus. A copy has been 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 248 of this Prospectus.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10 and the Issue price of Rs. 28 per Equity Share is 2.8 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager as stated in the chapter titled 'Basis for Issue Price' beginning on page 100 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. **Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 16 of this Prospectus.**

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of our Company offered through this 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, as amended from time to time, we are not required to obtain an in-principal listing approval for the shares being offered in this Issue. However, our Company has received an approval letter dated September 20, 2016 from NSE for using its name in this offer 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.

LEAD MANAGERS		REGISTRAR TO THE ISSUE
 PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 406-408, Keshva Premises, Behind Family Court, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 Tel: +91-22 61946720/24 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: INM000012110	 INDIAN OVERSEAS BANK Merchant Banking Division, 763, AnnaSalai, Chennai-600 002 Tel.: + 91 44 2851 9548/ 2888 9367; Email: mbd@iobnet.co.in Investor Grievance Email: mbdregu@iobnet.co.in Website: www.iob.in Contact Person: (i) B. Gomathy/S.Chandra, Merchant Banking Division, Chennai (ii) S. Muralidharan, Capital Market Services Branch, Mumbai, Tel: + 91 22 226 22017/2262 2018 Compliance Officer: B. Gomathy SEBI Registration No: INM000001386	 BIGSHARE SERVICES PRIVATE LIMITED E/2, Ansa Industrial Estate, Saki Vihar Road Saki Naka, 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

ISSUE PROGRAMME

ISSUE OPENS ON : SEPTEMBER 28, 2016

ISSUE CLOSES ON : OCTOBER 3, 2016

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

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

SECTION I – GENERAL DEFINITION AND ABBREVIATION

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

Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time
Auditor or Statutory Auditor	The Statutory Auditor of our Company, being Ashok Holani & Co., Chartered Accountants
Peer Reviewed Auditor	The Peer Reviewed Auditor of our Company, being R.T. Jain & Co., Chartered Accountants
Banker to our Company	Axis Bank Limited
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Priya Kshtriya
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs. 10/- each fully paid up
Equity Shareholders	Persons / Entities holding Equity Shares of our Company
Group Companies	Such Companies as are included in the chapter titled “ <i>Our Group Companies</i> ” beginning on page no. 184 of this Prospectus
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time
“Promoter”, “Promoters” or “our Promoters”	Promoters of our Company being Anuj Mundra and Vandna Mundra
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations and as disclosed in the chapter titled “ <i>Our Promoters and Promoter Group</i> ” on page no. 179 of this Prospectus
Registered Office	The Registered office of our Company situated at F-95, Kartarpura Industrial Area, Near 22 Godam, Jaipur- 302006
RoC / Registrar of Companies	Registrar of Companies, Rajasthan at Jaipur, located at Corporate Bhawan, G/6-7, Second Floor, Residency Area, Civil Lines, Jaipur - 302001
Shareholders	Shareholders of our Company
“Nandani Creation Limited”, or “the Company”, or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuer Company”	Nandani Creation Limited, a Public Limited Company incorporated under the provisions of the Companies Act, 1956

Issue Related Terms

Term	Description
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants
Allottee(s)	Successful Applicant(s) to whom Equity Shares of our Company have been allotted
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Prospectus. All the applicants should make application through ASBA only.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Prospectus
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 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)
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue
ASBA / Application Supported by Blocked Amount	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount
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 Jaipur
ASBA Investor/ASBA applicant	Any prospective investor(s) / applicants(s) in this Issue who apply(ies) through the ASBA process
Banker/Refund Banker to the Issue/ Public Issue Bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being ICICI Bank Limited
Broker Centres	Broker centres notified by the Stock Exchanges, where the applicants can submit the Application forms to a Registered Broker.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “ <i>Issue Procedure</i> ” beginning on page 256 of this Prospectus
Collecting Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the 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
Controlling 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

Term	Description
Demographic Details	The demographic details of the 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 Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility
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 RTA Locations	Such centres of the RTAs where Applicants can submit the 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 Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated Stock Exchange	Emerge Platform of National Stock Exchange Of India Limited
Draft Prospectus	The Draft Prospectus dated September 06, 2016 issued in accordance with section 26 of the Companies Act, 2013 and filed with NSE 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 the Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Emerge Platform of NSE	The EmERGE Platform of NSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form
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.
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 14,44,000 Equity Shares of face value of Rs. 10 each fully paid of Nandani Creation Limited for cash at a price of Rs. 28 per Equity Share (including a premium of Rs. 18 per Equity Share) aggregating Rs. 404.32 lakhs.
Issue Agreement	The agreement dated August 30, 2016 between our Company and the pages, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing date	The date on which Issue Closes for Subscription
Issue Opening Date	The date on which Issue Opens for Subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 28 per Equity Share of face value of

Term	Description
	Rs. 10 each fully paid
Issue Proceeds/Gross Proceeds	Proceeds from the Issue that will be available to our Company, being Rs. 404.32 Lakhs
Lead Managers / LM	Lead Managers to the Issue in this case being Pantomath Capital Advisors Private Limited (PCAPL) and Indian Overseas Bank (IOB).
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited
Market Making Agreement	Market Making Agreement dated September 19, 2016 between our Company, Lead Managers and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being BCB Brokerage 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 76,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs 28 per Equity Share aggregating Rs. 21.28 lakhs for the Market Maker in this Issue
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 13,68,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs 28 per Equity Share aggregating Rs. 383.04 lakhs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
Non Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000
NSE	The National Stock Exchange of India Limited
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
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus to be filed with RoC containing, <i>inter-alia</i> , the issue size, the issue opening and closing dates and other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Agreement/ Banker to the Issue Agreement	Agreement entered on August 30, 2016 amongst our Company, Lead Managers, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Application Amount on the terms and

Term	Description
	conditions thereof.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations 2009
Refund Account	Account to which Application monies to be refunded to the Applicants
Refund through electronic transfer of funds	Refund through ASBA process
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of either BSE or 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.bseindia.com/members/MembershipDirectory.aspx & http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being being Bigshare Services Private Limited having registered office at E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri East, Mumbai– 400 072, India
Retail Individual Investor	Individual Applicants, 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 Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
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 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/RecognisedIntermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SME Exchange	Emerge Platform of National Stock Exchange of India Limited
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.
Underwriter (s)	Pantomath Capital Advisors Private Limited and Indian Overseas Bank
Underwriting Agreement	The Agreement dated August 30, 2016 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 Related Terms

Term	Description
ARMs	Additional Revenue Measures
ASEAN	Association of Southeast Asian Nations
ASPIRE	A scheme for Promoting Innovation and Rural Entrepreneurs

Term	Description
ASSOCHAM	The Associated Chambers of Commerce and Industry of India
BBB	Better Business Bureaus
BC	Before Christ
BMW	Bayerische Motoren Werke AG
BSE	Bombay Stock Exchange
Nifty 50	Nifty is an index; market indicator of the position of stock that is listed in the NSE (National Stock Exchange)
BTRA	The Bombay Textile Research Association
CAGR	Compound Annual Growth Rate
CAP	Corrective Action Plan
CARE	Credit Analysis and Research (CARE Ratings)
CEO	Chief Executive Officer
CGTMSE	Credit Guarantee Trust Fund for Micro and Small Enterprises
CLCSS	Credit Linked Capital Subsidy Scheme
CoE	Centre for Excellence
CPI	Consumer Price Index
Credit Suisse	Credit Suisse Business Analytics India
CSO	Central Statistics Office
CY	Current Year
DoNER	Ministry of Development of North Eastern Region
E-Commerce	Electronic Commerce
EIEs	Emerging Industrial Economies
EMDEs	Emerging Market and Developing Economies
EMEs	Emerging Market Economies
FDI	Foreign Direct Investment
FOB	Freight on Board or Free on Board
FPI	Foreign Portfolio Investment
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
HTC	High Tech Computer Corporations
IBEF	India Brand Equity Foundation
IIP	Index of Industrial Production
IMF	International Monetary Fund
JV	Joint Venture
MAI	Market Access Initiative
MAT	Minimum Alternative Tax
MDA	Market Development Assistance Scheme
M-o-M	Month-On-Month
MoS	Minister of State
MoU	Memorandum of Understanding
MSECDP	Micro and Small Enterprises- Cluster Development Programme
MSMEs	Micro, Small and Medium Enterprises
MT	Million Tones
MUDRA	Micro Unit Development & Refinance Agency Limited
MYEA	Mid-Year Economic Analysis
NER	North East Region

Term	Description
NITI Aayog	National Institution for Transforming India Aayog
NITRA	Northern India Textile Research Association
NMP	National Manufacturing Policy
OIL	Oil India Limited
ONGC	Oil and Natural Gas Corporation
PC	Pay Commission
PMEGP	Prime Minister's Employment Generation Programme
PMI	Purchasing Managers' Index
PMMY	Pradhan Mantri MUDRA Yojana
PMO	Prime Minister's Office
PPP	Purchasing Power Parity
RIL	Reliance Industries Ltd
RIRI	Rational Investor Ratings Index
RMG	Readymade Garments
RRTUFS	Revised Restructured Technology Up gradation Fund Scheme
SASMIRA	The Synthetic and Art Silk Mills' Research Association
SFURTI	Scheme of Fund for Regeneration of Traditional Industries
SITP	The Scheme for Integrated Textile Parks
SITRA	The South India Textile Research Association
SMEs	Small And Medium Enterprises
TADF	Technology Acquisition and Development Fund
Texprocil	The Cotton Textiles Export Promotion Council
TMTT	Technology Mission on Technical Textiles
TUFS	Technology Up gradation Fund Scheme
UAM	Udyog Aadhaar Memorandum
UAN	Udyog Aadhaar Number
UK	United Kingdom
UNIDO	United Nations Industrial Development Organisation
UP	Uttar Pradesh
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
WEO	World Economic Outlook
WIL	Welspun India Ltd
WPI	Wholesale Price Index

Conventional and General Terms / Abbreviations

Term	Description
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investments Fund
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
NSE	National Stock Exchange of India Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CMD	Chairman and Managing Director

Term	Description
CIN	Corporate Identification Number
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
Depositories	NSDL and CDSL; 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.
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Ownership Plan
ESPS	Employee Stock Purchase Scheme
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FPI(s)	Foreign Portfolio Investor
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
F.Y./FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Net worth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
IT Rules	The Income Tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
Key Managerial Personnel/KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 164 of this Prospectus

Term	Description
LPH	litre per hour
Ltd.	Limited
MD	Managing Director
Mtr	Meter
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time.
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
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 Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations / Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange(s)	Emerge Platform of National Stock Exchange of India Limited
Sq.	Square

Term	Description
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S./ USA/ United States	United States of America
USD or US\$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
WDV	Written Down Value
WTD	Whole-time Director
w.e.f.	With effect from
YoY	Year over year

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 299 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the chapter titled “*Financial Statements as Restated*” beginning on page 187 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter;
- iii. In the section titled “*Risk Factors*” beginning on page 16 of this 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 103 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter; and

In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 212 of this 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 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 187 this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1 of each year and ends on March 31 of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this 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 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 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 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 187 of this Prospectus.

CURRENCY OF PRESENTATION

In this 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 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 Prospectus is reliable, it has not been independently verified by the Lead Managers or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on

various factors, including those discussed in the section titled "*Risk Factors*" on page 16 of this 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 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 Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

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

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

For a further discussion of factors that could cause our actual results to differ, refer to section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 16 and 212 respectively of this 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 Prospectus. Neither we, our Directors, Lead Managers, Underwriters nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the LM 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 Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

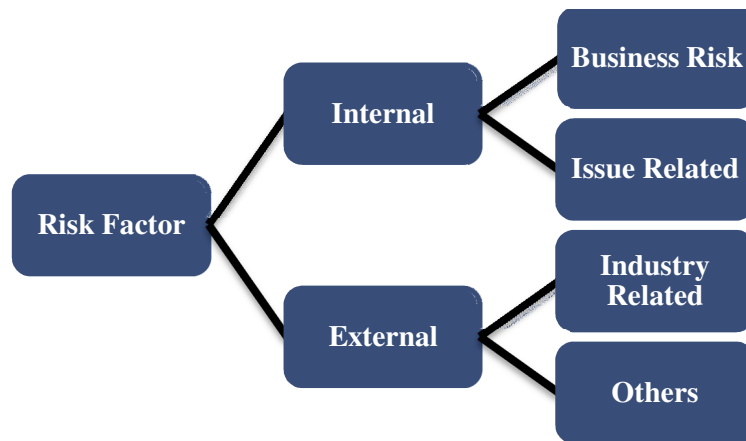
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 133, “Our Industry” beginning on page 106 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 212 of this 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 Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

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



INTERNAL RISK FACTORS

Business Specific / Company specific Risk

1. ***Our Company is yet to achieve scalable operations and has limited operating history and brand recognition, which may make it difficult for investors to evaluate our future prospects based on past results.***

Our Company was incorporated on February 21, 2012. Given our Company's limited operating history, we may not have sufficient experience to address the risks frequently encountered by early stage companies, including our ability to successfully complete our orders or maintain adequate control of our costs and expenses. Given the fragmented nature of the industry in which we operate, we often do not have complete information about our competitors and accordingly we may underestimate supply in the market. Further we may face risks in relation to delayed acceptance of our products due to limited brand recognition. If we are unsuccessful in addressing such risks, our business may be materially and adversely affected. Accordingly, investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early-stage company and should not rely on our results of operations for any prior periods as an indication of our future performance.

2. ***Our distribution model is majorly based on e-retail model and we do not have any customer facing retail outlets. Lack of consumer trust in e-retail industry or in the event of lack of growth of e-commerce activities in India, our operations may be adversely affected.***

Our company currently has adopted e-retail model to distribute its products and does not operate through any outlets or dealers/vendors to scale up its activities. Though this B2C model, offers a number of benefits such as wider reach both in geographical terms and number of people, reduced overheads, customer convenience, potential to expand invariably, etc. it also carries some inherited risks. Presently, a majority of domestic population still prefers to use traditional means of commerce to purchase products and services, especially in apparel industry through customer facing outlets. Lack of consumer trust in e-retail due to not being able to judge material's quality, size and other features may restrict our growth opportunities. Further Indian trade markets continue to be dominated by cash based transactions due to limited banking and credit card penetration. Concerns about fraud, privacy and other related issues may discourage consumers and merchants from adopting the internet as a medium of buying of products and services. Another challenge we may face is the growth of e-commerce activities in India. We currently sell our products through our own website and various e-commerce portals. Any lack of growth of e-commerce activity in India or delayed acceptance of e-retail by consumers may adversely affect our business model and future financial performance.

Considering the present response to e-commerce industry coupled with growing internet penetration, government support, favoured demographics, e-commerce activity is expected to grow at a strong pace. Also as a part of business strategy, to strengthen our distribution model, we intend to open our

own brand outlets. However there can be no assurance that we shall be able to successfully execute our business strategies.

3. ***We require a number of approvals, licences, registrations and permits in the ordinary course of our business, some of which are yet to be applied for by our Company. Further our inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations.***

Also some of our approvals are required to be transferred in the name of Nandani Creation Limited from Nandani Creation Private Limited, pursuant to name change of our company and any failure or delay in obtaining 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. Further many of these approvals are granted for fixed periods of time and need renewal from time to time. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Additionally, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/licenses/approvals. Also as on date of the Prospectus, we have neither applied nor obtained for material approvals like Central Excise Registration Certificate and Certificate of Registration under Rajasthan Shops and Commercial Establishment Act, 1958. Any failure to apply for and obtain the required approvals, licences, registrations or permits, or renew the approvals that have expired, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects.

Also, we were a private limited company in the name of “Nandani Creation Private Limited” carrying business of manufacturing and e-retail of dresses/apparels. Recently, we have converted from private to public Company and pursuant to such conversion, there was change of name of the company from “Nandani Creation Private Limited” to “Nandani Creation Limited”. We are in the process of taking necessary steps for transferring the approvals in the new name of our Company. In case we fail to transfer/obtain the same in new name of the company, it may adversely affect our ability to carry on our business, our business operations or our financial results.

For details please refer to chapter titled “Government and Other Statutory Approvals” beginning on page 230 of this Prospectus.

4. ***The Company may loose its revenue due to the on going policy of “Turn Back Cash-On-Delivery Orders” trending in the e-retail market.***

The company accomplishes its major revenue from e-retail market and does not own any outlets or has tie-ups with any of the dealers/vendors as on the date of Prospectus. Since our Company has adopted the B2C model of business, we have tapped the market through major E-Commerce platforms. There has been trend in the e-retail markets for “***Turn Back Cash-On-Delivery Orders***” thereby resulting in pain at the business end of the ecommerce retail chain.

If a consumer orders a product and then returns it, the Company may be liable to pay for the logistics for both ways. This may result in shrinking margins of our Company. The risk is especially high in sales made through cash on delivery (COD) mode of payment, which has been one of the defining pillars of India's ecommerce boom. Our Company generally faces return in the range of 10%-15% for multiple reasons. Though the e-commerce retailers have voiced its concerns at various forums and with e-commerce companies, there can be no assurance whether the same can be regularized or the revolution can materially benefit and favour the e-retailers. Hence, cancellations and returns pose a serious challenge and may adversely affect our financial condition and result of operations.

5. *We are highly dependent on third parties to supply our raw materials. Further we also use manufacturing facilities offered by third parties for manufacturing some of our products. Any hindrance from such parties with respect to supplies or quality of products, may affect our production process, resulting into loss of revenues.*

We procure our primary raw materials i.e. gray cloth and running printed fabric from third party suppliers including our subsidiary Company. Further we also use third party manufacturing facilities to manufacture some of our product range such as saree, lehengas, palazzo, patiyalas, etc. The business of our Company is dependent on the trust our customers have in the quality of our products. Our quality of apparels highly depends upon the quality of raw material i.e. fabric we procure, as we are mainly engaged in cutting, sewing, tailoring, designing of the apparels. Any goods received by us which do not comply with the quality specifications or standards prevalent in the business or market segment, may result in customer dissatisfaction, which may have an adverse effect on our sales and profitability. Also in case of goods manufactured by third parties for us, any inconsistency in standard, or any deterioration in quality of goods, supplied by them may hamper our reputation and thereby business operations. Another important factor in our industry is timeliness of delivery. Any refusal from suppliers to adhere to the delivery schedules or to supply in the necessary quantities may adversely affect our ability to deliver orders on time and as a result we may lose customers. Further our third party manufacturer's facilities are susceptible to operating risks such as power loss, natural disasters, etc. and any interruption in their manufacturing operations could adversely affect the timely delivery of our products.

In case our Company receives significant higher demand or if there is a need to replace an existing manufacturer, there can be no assurance that additional supplies of raw material or additional manufacturing capacity will be available and that too on the desired terms in order to enable us to fulfil our orders on time. Though our management believes that our subsidiary Company from whom we procure around 66% of running dye/printed fabric shall continue to support us and there shall be no difficulties in finding new suppliers if required, there can be no assurance that our existing or potential suppliers, third party manufacturers will continue to provide us with the necessary quantity of raw material and products, at the desired level of quality and within the scheduled timelines. Also though we maintain quality check at various level of production process, any decline in quality of the fabrics may expose us to replacement costs and increased logistics costs.

6. *Our future growth may be restricted by our limited manufacturing capacity*

At present, our manufacturing facility is spread over 790 square yards. We mainly use our manufacturing facility to manufacture Kurtis. This facility is operated by us on single shift basis and approximately runs for 10 hours a day. This facility is running close to its installed capacity. Further due to inadequacy of the space, we are not able to entirely carry our manufacturing process in our current premises. We use facilities of third party manufacturers to manufacture some of our product range such as saree, lehengas, palazzo, patiyalas, etc. In case we are unable to expand our manufacturing facilities in line with the increase in our business operations, we may not be able to tap the growth opportunities available in the apparel market. Further use of third party manufacturing facilities may deprive us of higher margins resulting into lower profitability and expose us to quality risks also.

7. *Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.*

Our industry being labour intensive is highly dependent on labour force for carrying out its manufacturing operations. 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. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however 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.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

Further due to increased competition for skilled employees in India over the last few years, we may need to increase our levels of employee compensation rapidly to remain competitive in attracting the best possible talent which may result in increased costs and affect our profitability.

8. *Our results of operations may be materially adversely affected by our failure to anticipate and respond to changes in fashion trends and consumer preferences in a timely manner.*

Our results of operations depend upon the continued demand by consumers for our products. We believe that our success depends in large part upon our ability to anticipate, gauge and respond in a timely manner to changing fashion trends and consumer demands and preferences and upon the appeal of our products. If we are unable to anticipate consumer preferences or industry changes, or if we are unable to modify our products on a timely basis, we may lose customers or become subject to greater pricing pressure. A decline in demand for our products, particularly in our classic designs, or a misjudgement on our part could, among other things, lead to lower sales, excess inventories and higher markdowns, each of which could have a material adverse effect on our brand, reputation, results of operations and financial condition.

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

Our business is working capital intensive. A significant portion of our working capital is utilized towards trade receivables and inventories. Summary of our working capital position is given below:-

Amount (Rs. in lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
A. Current Assets				
a. Inventories	147.36	56.72	69.51	11.04
b. Trade Receivables	349.17	137.96	76.39	18.58
c. Cash and Cash equivalents	10.23	5.51	1.97	2.81
d. Short Term Loans & Advances	0.22	0.27	0.81	0.28
B. Current Liabilities				
a. Trade Payables	198.34	100.17	85.75	30.27
b. Other Current Liabilities	13.90	5.22	0.95	0.69
c. Short Term provisions	14.76	0.11	0.47	0.11
Working Capital (A-B)	279.98	94.96	61.51	1.64
Inventories as % of total current assets	29.07%	28.29%	46.75%	33.75%
Trade receivables as % of total current assets	68.87%	68.82%	51.38%	56.80%

We usually supply products on credit to our clients. Our working capital requirement may increase if our credit period is increased or raw material prices are increased etc. All these factors may result in increase in the quantum of current assets particularly inventories and trade receivables.

In the event, we are required to repay any working capital facilities upon receipt of a demand from any lender; we may be unable to satisfy our working capital requirements. Further, 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 94 of this Prospectus.

10. *We rely on our information technology systems and any failures in our systems could adversely impact our business. Further changes in technology may render our current technologies obsolete or require us to make substantial capital investments.*

As our product sale is entirely vended on the online portals including our established website i.e. www.jaipurkurti.com we depend extensively on our information technology systems to provide us connectivity across our business functions through our software, hardware and connectivity systems. As such our sales operations are dependent on uninterrupted and smooth functioning of technological systems. We are in the process of upgrading our information technology infrastructure and any disruptions in the implementation or functioning thereafter could disrupt our ability to track, record and analyze the merchandise that we sell and cause disruptions of operations, including, among others, an inability to process shipments of goods, process financial information or credit card transactions, deliver products or engage in similar normal business activities, thereby adversely affecting our business operations.

Further our business model is also dependent on rise in internet penetration in India and any downfall or disruption in internet services may directly affect our volume of sales. Also our systems are vulnerable to power losses, technical failures, viruses, etc. and any such undetected or unexpected damages/interruption may adversely affect our business operations. Though we have made efforts to protect our systems against commonly faced issues, there can be no assurance that we may be able to eliminate such risks. Since we also sell through other online portals as well, we are indirectly dependent on their technological systems also and any changes or disruptions in their systems may affect our business operations.

Further in our industry, modernization and technology upgradation is essential to provide better services. Although we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade the existing employed by us. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations. Our failure or inability to incorporate any change in technology might place our competitors at an advantage in terms of costs, efficiency and timely delivery of the final products.

11. *The Promoter Group of our Company does not include Basant Kumar Laddha, Kanta Devi Laddha, Jayesh Laddha and Prerna Maheshwari and/or any entity(ies) in which these persons may have an interest.*

The Promoter Group of our Company does not include certain relatives of our Promoters, namely, Basant Kumar Laddha, Kanta Devi Laddha, Jayesh Laddha and Prerna Maheshwari and/or any entity (ies) in which they severally or jointly may have an interest. Our Company on August 04, 2016 has individually addressed letters to all the natural persons as disclosed by the Promoters which fall under definition of “promoter group” prescribed under Regulation 2(1) (zb) of the SEBI (ICDR) Regulations, 2009, asking for necessary disclosure. However, we have not received any response and therefore, the disclosures made in this Prospectus are limited to the extent of information that has been provided by our Promoters in relation to promoter group entities. For more details please refer the chapter titled “Our Promoter and Promoter Group” beginning on page 179 of this Prospectus.

12. *We operate in a highly competitive and fragmented industry.*

The apparel manufacturing and retail industry is highly competitive and fragmented. Our competitors include numerous apparel designers, manufacturers, and other established companies. Some of our competitors are larger and therefore better placed to take advantage of efficiencies created by size, and have better financial resources or greater access to capital at lower costs, and may be better known nationally. Moreover, as the industry is highly fragmented, we also face competition from local stores, who may, for a variety of reasons such as easier access and personal relationships with the customers, be able to cater to local demands better than us. We believe that the principal competitive factors in the apparel industry are brand name, brand identity, timeliness, reliability and quality of products, price and our ability to anticipate consumer demands and maintain appeal of products to customers. If we do not maintain our brand names and identities and fail to provide high quality and reliable products on a timely basis at competitive prices, or if our competitors are able to compete more effectively, we may not be able to maintain our competitive edge. If we are unable to compete successfully, we could lose our customers, which would negatively impact our sales and financial performance. Further, the competitive nature of the apparel industry may result in lower prices for our products and decreased gross profit margins, either of which may materially adversely affect our sales and profitability.

13. We have recently incorporated a wholly owned subsidiary company and such subsidiary company has acquired the running business of one of our promoter. There is no guarantee that our subsidiary shall be able to run such business successfully and we shall be able to achieve synergy in our business operations.

We have incorporated our own wholly owned subsidiary i.e. Desi Fusion India Private Limited on May 31, 2016. Pursuant to a slump sale agreement, this Company has acquired the running business of Nandani Creation which is the proprietorship concern of one of our Promoter Anuj Mundra. The primary reason for such restructuring was to integrate our business operations. Desi Fusion India Private Limited is into manufacturing of running printed fabric and running dye fabric which is our primary raw material. However there can be no assurance that our subsidiary shall be able to run such business successfully or we shall be able to achieve desired synergy in our business operations. Further we may be required to dedicate some of our resources in operating and managing the subsidiary which may impact our financial condition and result of operations.

14. Our Company is currently involved in certain tax related litigation which is pending at various stages; any adverse decision in such proceedings may render us liable to demands and penalties and may adversely affect our business and results of operations.

There are no legal proceedings by or against our Directors, Promoters and Group Companies or Subsidiaries. However, There are notices issued under Section 142 (1) and 143 (2) of the Income Tax Act, 1961 to our Company. There are also certain proceedings under Rajasthan Value Added Tax Act, 2003 and Central Sales Tax Act, 1956. In case of non-payment of tax payable it may adversely affect the Company. 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	Nil	4	Nil	Nil	Nil	6.32*
Promoters							

By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies							
By Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Directors other than promoters							
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiaries							
By the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil	Nil

*This includes two notices for scrutiny and personal hearing. The amount of which is undetermined.

Also, there is no assurance that in future, we, our promoters, our directors or group companies or subsidiaries may not face legal proceedings and any adverse decision in such legal proceedings may not impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company and Subsidiaries see the chapter titled “Outstanding Litigation and Material Developments” on page 223 of this Prospectus.

15. Our top 5 customers constitutes more than 80% and top 10 customers contributes around 93% of our revenue from operations

As per our current business model, our Company has a limited customer base as we generate our major sales by selling to e-commerce portals who in turn distribute it to retail consumers. For the year ended March 31, 2016 our top 5 customers contributed more than 80% and top 10 customers contributed around 93% of our sales. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. Although, we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, we cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of business.

16. Our Company has not maintained day to day quantitative records with respect to inventories. Any variation in closing stock valuation may adversely affect our result of operations.

Our Company contends that due to its nature of business of trading and manufacturing in numerous items of women wear of different grades, sizes, qualities and mix, it was not possible and feasible to maintain day to day quantitative records of production, purchase and sales. However physical verification of stock was carried out at regular intervals. Any variation in closing stock valuation may adversely affect our result of operations. For more details, please refer chapter titled “Financial Statements as Restated” beginning on page 187 of the Prospectus. However, our management is in the process of developing systems for maintenance of day to day quantitative records of inventory.

17. We do not generally enter into agreements with our third party manufacturers or raw material suppliers. Any disruption in supplies from them may adversely affect our production process.

We have no formal agreement entered into with our third party manufacturers or raw material suppliers. Though we maintain good relations with them, there can be no assurance that we shall be able to continue such relations with any or all of them. Any disruption in supplies from these parties, may require us to find additional suppliers. There can be no assurance that we shall be able to find additional suppliers in time or transact business with them on favourable terms and conditions or the quality of products supplied by these suppliers will be at par with those of our existing suppliers. Further we cannot assure you that our third party manufacturers will continue to be associated with us on reasonable terms, or at all. Since such third party manufacturers are not contractually bound to deal with us exclusively, we may face the risk of losing their services to our competitors. Further we are also indirectly exposed to the risks, such third party manufacturers' faces and hence any interruptions in the manufacturing operations of such third parties on account of natural disasters, labour problems, machinery breakdowns, etc. may adversely affect our supply process and profit margins.

Any disruption from our third party manufacturers or suppliers due to inexistence of contracts may adversely affect our production process and consequently our results of operations.

18. We neither enter into any agreement with our customers nor do we have fixed customer base. There can be no assurance that we may get repeat order flows from our customers.

We are primarily into retail industry and our business model is such that our sales are in the spot market and we do not enter into any long term or fixed contracts with our customers. Further at present we sell through online portals and supplies goods either to customers directly or to e-commerce companies who further sells it to retail customers. These companies also orders goods after evaluating the demand of our products. There can be no assurance that we shall get repeat order flows from our customers. While we believe that we our brand is well known in the market and our qualitative supply at competitive prices shall ensure that we get sufficient orders, there can be no assurance that we shall be able to create sufficient demand for our products. Any contraction in our customer base or lack of orders may adversely affect our revenue from operations and consequently our profitability.

19. Our cost of production is exposed to fluctuations in the prices of raw material like grey cloth, running dye/printed fabric.

We are exposed to fluctuations in the prices of raw material like grey cloth and running dye/printed fabric and may be unable to control factors affecting the price at which we procure our raw material. We may at times also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Particularly, we face the risk of our products becoming unaffordable for a segment of the demography, if we pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our historical margins. Upward fluctuations in the prices of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations.

20. 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 accepted loan from non shareholders of the Company and thereby contravened provisions of section 58A of the Companies Act, 1956 and section 73 of the Companies Act, 2013. In such cases we may have to repay the loans along with interest on loans claimed but not paid. Further, our Company has also 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. Although they have not been furnished with any notices by the RoC/any other statutory authority with respect to this non-compliance, such non-compliance 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 now appointed a whole time Company Secretary to set up a system to ensure that requisite compliances are made within the applicable timelines.

21. *Our company is highly dependent on third party logistics services for the delivery of our raw materials/ finished products 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 providers 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 may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, 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.

22. *We may not be successful in implementing our business strategies.*

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. As a part of the future strategy, we plan to launch our brand 'Desi Fusion', set up our Exclusive Brand Outlets (EBO's), etc. There can be no assurance that our new brand will be perceived well in the market or that we will be able to successfully set up our brand outlets or that we shall be able to successfully implement any of our business strategies. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies in time or at all would have a material adverse effect on our business and results of operations.

23. *Our sales and profitability could be harmed if we are unable to maintain or improve our brand image. Further any negative publicity with respect to our products could adversely affect our brand, business, financial condition and results of operations.*

We are operating under the brand "Jaipurkurti.com" which has significantly contributed to the success of our business. We believe that our success depends on our ability to price the apparels against its quality and foresee, identify and respond to changing fashion trends in a timely manner. If we are unable to respond in a timely and appropriate manner to changing consumer demand and fail to price our apparels reasonably, our brand name and brand image may be impaired and may result in a significant decrease in net sales or leave us with a substantial amount of unsold inventory. In addition, any new products or brands that we introduce may not be successfully received by retailers and consumers. Although we have expanded, and expect to continue to spend significant resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brands will be effective in attracting and growing our customer base or that such efforts will be cost-effective. Further our brand may also be affected if there is any negative publicity associated with our products. Any failure to maintain and enhance our brands may negatively affect our business, financial condition and results of operations.

24. We may suffer loss of income if our products/designs are duplicated by our competitors.

As our industry is fashion oriented, there is constant need for updation and innovation. Hence, designs in our industry change on a frequent basis. Our success highly depends upon the adaptability of designs as per the latest trends and the acceptance of the product in the market. If any of our design hits the market and receive over whelming response, our competitors may tend to copy our design to increase their market share and revenues and take due advantage; thus hampering our market. Since our designs are not registered, we may not be able to claim our rights over it and could suffer loss of income thereby affecting our operations and our results of operations.

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

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




Particulars	Amount (Rs. in Lakhs)			
	For The Year Ended			
	2016	2015	2014	2013
Cash Flow from / (used in) Operating Activities	(85.10)	(15.64)	(56.80)	1.43
Cash Flow from / (used in) Investing Activities	(19.68)	(0.92)	(3.62)	(0.12)






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.

26. Certain of our trademarks are not registered and as such we may not be able to effectively protect our intellectual property.

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. Currently, we have applied for registration of some of our brand names /logo under the Trademarks Act, 1999, some of which applications are objected. Consequently, we do not enjoy the statutory protections accorded to registered trademarks in India. In the absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over these brands or our logo. As a result, we may be required to invest significant resources in developing new brands or names, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Further, there is no guarantee that the application for registration of our brand name/logo will be accepted in favour of the Company. This may affect our ability to protect our trademark in the event of any infringement of our intellectual property. The details of trademark applications are as under:

Sr No	Description	Word/Label Mark	Application Number	Date of Filing	Class	Status
1		Device – Word Mark	2895131	February 06, 2015	24	Objected
2		Device – Word Mark	2895135	February 06, 2015	25	Objected
3		Device – Word Mark	2470805	February 01, 2013	35	Objected

Sr No	Description	Word/Label Mark	Application Number	Date of Filing	Class	Status
4		Device – Word Mark	3184901	February 12, 2016	42	Objected
5		Device – Word Mark	3184897	February 12, 2016	24	Objected
6		Device – Word Mark	3184898	February 12, 2016	25	Objected
7		Device – Word Mark	3184899	February 12, 2016	35	Objected
8		Device – Word Mark	3184900	February 12, 2016	42	Objected

- 27. We do not own the land on which our manufacturing facility, registered office and branch offices are located. In the event, we are unable to renew the lease/rent agreements, or if such agreements are terminated, we may suffer a disruption in our operations.**

Our Company does not own the land on which our manufacturing facility, registered office and branch offices are located. We have taken the same on lease from a third party. The lease for manufacturing facility and registered office is valid till February 28, 2017 and can be extended subject to mutual consent of both the parties. Further as on the date of the Prospectus, we are unable to trace the lease deed for our branch offices. 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 133 of this Prospectus.

- 28. We depend on certain third party service providers including online distribution portals and payment gateways and an inability to ensure availability of such services at competitive cost may have an adverse effect on our business.**

We rely on various third party service providers in our business operations including online distribution portals and payment gateways. Such portals and gateways are often susceptible to security concerns and require technological up gradations. Further any significant changes in the commission charged by such online portals for distributing our products or any increase in fee charged by such payment gateways may adversely affect our business and results of operations.

- 29. We have issued Equity Shares in the last twelve months, the price of which may be lower than the Issue Price.**

Our Company has issued equity shares in the last twelve months at a price lower than the issue price on the following occasions:

- Bonus Issue of 4,50,000 Equity Shares of face value of Rs. 10/- each on May 11, 2016, in the ratio of 5 Equity Shares for every 1 Equity Share held.
- Further Issue by way of Conversion of unsecured loan into 3,00,000 Equity Shares of face value of Rs. 10/- each fully paid at an issue price of Rs. 20/- per share (including premium of Rs. 10/- per share) on May 13, 2016.
- Further Issue by way of Conversion of unsecured loan into 5,75,000 Equity Shares of face value of Rs. 10/- each fully paid at an issue price of Rs. 20/- per share (including premium of Rs. 10/- per share) on August 01, 2016.

For further details of Equity Shares issued, please refer to chapter titled, 'Capital Structure' beginning on page 71 of this Prospectus.

30. *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 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 is also 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.

31. *Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity. Further we are also subject to inventory risk in relation to managing inventories maintained with E-commerce Companies*

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 or get manufactured by third parties on our account, 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. Also since we are distributing our products through e-commerce medium, we need to take into account the estimated returns while managing inventories as this industry is currently exposed to high risk of sales returns. Due to understanding and contractual clauses in relation to goods return from such e-commerce companies, we may have to accept excess unsold stock as well as rejected goods which in turn makes us subject to face risk of accumulation of dead stock thus reducing the volume of sales, profitability and the attractiveness of our range of products in stock. Any increase in sales return beyond the standard levels, may also result in accumulation of inventories and consequently impact our cash flows.

32. *Our lenders have charge over our movable properties in respect of finance availed by us.*

We have secured our lenders by creating a charge over our movable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs.104.25 lakhs as on March 31, 2016. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our assets may be forfeited by lenders, which in turn could have significant adverse affect on business, financial condition or results of operations. For further information on the Financial Indebtedness please refer to page 221 of this Prospectus.

33. *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 221 of the Prospectus.

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

As at March 31, 2016 our Company has unsecured loans amounting to Rs. 102.49 lakhs from certain individuals and corporates, including promoters and members of promoter group, that are repayable on demand to the relevant lenders. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders 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. However, as on date of the Prospectus, of the above unsecured loans, loans amounting to Rs. 60.00 lakhs have been converted into 3,00,000 Equity Shares.

For further details of unsecured loans of our Company, please refer ‘Annexure VII’ ‘Details of Long Term Borrowings as Restated’ of chapter titled “*Financial Statements*” beginning on page 187 and chapter titled “*Capital Structure*” beginning on page 71 of the Prospectus.

35. *Our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits and terrorism. 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 standard fire and special perils. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits, losses due to 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.

- 36. *Our Promoters and members of the Promoter Group have provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.***

Our Promoters and members of the Promoter Group have provided personal guarantees in relation to certain loan facilities availed of by us. In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative 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 may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

- 37. *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 Promoter, the Promoter Group, our Group Companies, our Directors and their relatives. Further we are substantially dependent on our subsidiary company for procurement of our raw material. While we believe that all such transactions have been conducted on the arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to section "Related Party Transactions" in Section "Financial Statements" beginning on page 187 of this Prospectus.

- 38. *Our success depends largely upon the services of our Promoters, Directors 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***

Over the years, our Directors and Key Managerial Personnel have built strong relations with clients, employees and other business associates. Our success is substantially dependent on the expertise and services of our Directors 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. 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. *In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding, dividend entitlement if any in our Company and to the extent loans given by them.***

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 if any in our Company. Further they may also be interested to the extent of loans given by them and interest receivable if any on such

loans. For further information, see “*Capital Structure*”, “*Our Management*” and “*Related Party Transactions*” on pages 71, 164 and 185 respectively, of this Prospectus.

- 40. *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 of the Prospectus, 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 bank finance, debts, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “*Objects of the Issue*” beginning on page 94 of this Prospectus.

- 41. *Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 94 of this Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the ‘Objects of the Issue’ have not been appraised by any bank or financial institution.***

We intend to use entire fresh Issue Proceeds towards working capital requirements and for general corporate purposes. We intend to deploy the Net Issue Proceeds in financial year 2016-17 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “*Objects of the Issue*” beginning on page 94 of this 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 94 of this Prospectus, the Management will have significant 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.

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

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. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. 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 186 of this Prospectus.

- 43. *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.

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

After completion of the Issue, our Promoters and Promoter Group will collectively own 51.04% 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.

- 45. *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 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

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

The Issue Price of our Equity Shares has been determined by fixed price method. This price is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 100 of this 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.

47. *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

48. *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 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.

49. *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.

50. *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 Prospectus.*

As stated in the reports of the Auditor included in this Prospectus under chapter “*Financial Statements as restated*” beginning on page 187, the financial statements included in this 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 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 Prospectus. Accordingly, the degree to which the financial information included in this 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 Prospectus should accordingly be limited.

51. *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:

- a. Excise duty on certain raw materials and components;
- b. Central and state sales tax, value added tax and other levies; and
- c. 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.

52. *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.

53. *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.

54. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which our company operates contained in the Prospectus.*

While facts and other statistics in this Prospectus relating to India, the Indian economy and the industry in which our company operates 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 106 of the 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.

55. *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.

56. *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.

57. *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.

58. *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.

59. *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.

60. *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 14,44,000 Equity Shares of face value of Rs. 10/- each of our Company for cash at a price of Rs. 28/- per Equity Share including a premium of Rs.18/- per Equity Shares ("Issue Price") aggregating upto Rs. 404.32 Lakhs, of which 76,000 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 13,68,000 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 48.96% and 46.38%, respectively of the post Issue paid up equity share capital of the Company.
2. Investors may contact the Lead Managers or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Lead Managers and the Company Secretary & Compliance Officer, please refer to chapter titled "General Information" beginning on page 62 of this Prospectus.

3. The pre-issue net worth of our Company was Rs. 59.00 lakhs as at March 31, 2016. The book value of each Equity Share (as adjusted for bonus) was Rs.10.93 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 187 of this Prospectus.

4. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Anuj Mundra	9,70,890	16.68
Vandna Mundra	4,42,790	7.16

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 71 of this 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 “XXII” “Related Party Transactions”* under chapter titled “*Financial Statements as restated*” beginning on page 187 of this 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 253 of this 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 71, 179, 164 and 187 respectively, of this 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 71 of this 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 100 of the 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 Prospectus with the Stock exchange.

12. Our Company was originally incorporated as “Nandani Creation Private Limited” under the provisions of the Companies Act 1956, vide Certificate of Incorporation dated February 21, 2012 issued by Registrar of Companies, Rajasthan. Subsequently our Company was converted into a public limited company vide fresh Certificate of Incorporation dated August 12, 2016 and the name of our Company was changed to “Nandani Creation Limited”. The Corporate Identity Number of our Company is U18101RJ2012PLC037976. For further details of incorporation, change of name and registered office of our Company, please refer to chapters titled “*General Information*” and “*Our History and Certain Other Corporate Matters*” beginning on page 62 and 160 respectively of this Prospectus.

13. Except as stated in the chapter titled “*Risk Factors*” beginning on page 16, chapter titled “*Our Group Companies*” beginning on page 184 and chapter titled “*Related Party Transactions*” beginning on

page 185 of this 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 Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 16 and 187 respectively of this Prospectus before deciding to invest in our Equity Shares.

TEXTILE AND APPAREL INDUSTRY - OVERVIEW

The textile and apparel industry can be broadly divided into two segments yarn and fibre, and processed fabrics and apparel. India accounts for ~14 per cent of the world's production of textile fibres and yarns (largest producer of jute, second largest producer of silk and cotton, and third largest in cellulosic fibre). India has the highest loom capacity (including hand looms) with 63 per cent of the world's market share.

The domestic textile and apparel industry in India is estimated to reach US\$ 141 billion by 2021 from US\$ 67 billion in 2014. Increased penetration of organised retail, favourable demographics, and rising income levels are likely to drive demand for textiles. India is the world's second largest exporter of textiles and clothing.

Textile and apparel exports from India are expected to increase to US\$ 82 billion by 2021 from US\$ 40 billion in 2014. Readymade garments remain the largest contributor to total textile and apparel exports from India. In FY15 the segment had a share of 40 per cent of all textile and apparel exports. Cotton and manmade textiles were the other major contributors with shares of 31 per cent and 16 per cent, respectively.

Rising government focus and favourable policies is leading to growth in the textiles and clothing industry. Foreign direct investment (FDI) in textile sector increased to US\$ 1,587.8 million in FY15 from US\$ 1,424.9 million in FY14. The Ministry of Textiles is encouraging investments through increasing focus on schemes such as Technology Up gradation Fund Scheme (TUFS). To promote apparel exports, 12 locations have been approved by the government to set up apparel parks for exports. As per the 12th Five Year Plan, the Government plans to provide a budgetary support of US\$ 4.25 billion to textiles. Free trade with ASEAN countries and proposed agreement with European Union will also help boost exports.

(Source: Indian Textiles and Apparel 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 over's of subdued global growth to other economies through trade channels and weaker commodity prices is manifest in diminishing confidence and increasing volatility in financial markets. In addition, a dual monetary policy—a gradual tightening in monetary policy in the US in the backdrop of its resilient recovery and easy monetary policy in several other major advanced economies has led to continued uncertainties and poses challenges for the year ahead. In the case of EMDEs, growth remained subdued at 4 per cent in 2015, but is projected to increase to 4.3 per cent in 2016 and 4.7 per cent in 2017. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17. Assessments indicate that mixed inflation developments in EMDEs reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year.

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

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

REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

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

- Even as real growth has been accelerating, nominal growth has been falling, to historically low levels, an unusual trend highlighted in the Mid-Year Economic Analysis (MYEA), 2015-16.
- According to the Advance Estimates, nominal GDP (GVA) is likely to increase by just 8.6 (6.8) percent in 2015-16.
- In nominal terms, construction is expected to stagnate, while even the dynamic sectors of trade and finance are projected to grow by only 7 to 73/4 percent.
- Inflation remains under control The CPI-New Series inflation has fluctuated around 51/2 percent, while measures of underlying trends—core inflation, rural wage growth and minimum support price increases—have similarly remained muted. Meanwhile, the WPI has been in negative territory since November 2014, the result of the large falls in international commodity prices, especially oil. As low inflation has taken hold and confidence in price stability has improved, gold imports have largely stabilized, notwithstanding the end of a period of import controls
- Similarly, the external position appears robust. The current account deficit has declined and is at comfortable levels; foreign exchange reserves have risen to US\$351.5 billion in early February 2016, and are well above standard norms for reserve adequacy; net FDI inflows have grown from US\$21.9 billion in April-December 2014-15 to US\$27.7 billion in the same period of 2015-16; and the nominal value of the rupee, measured against a basket of currencies, has been steady. India was consequently well-positioned to absorb the volatility from the U.S. Federal Reserve actions to normalize monetary policy that occurred in December 2015. Although the rupee has declined against the dollar, it has strengthened against the currencies of its other trading partners.
- The fiscal sector registered three striking successes: on-going fiscal consolidation, improved indirect tax collection efficiency; and an improvement in the quality of spending at all levels of government.

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

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

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)

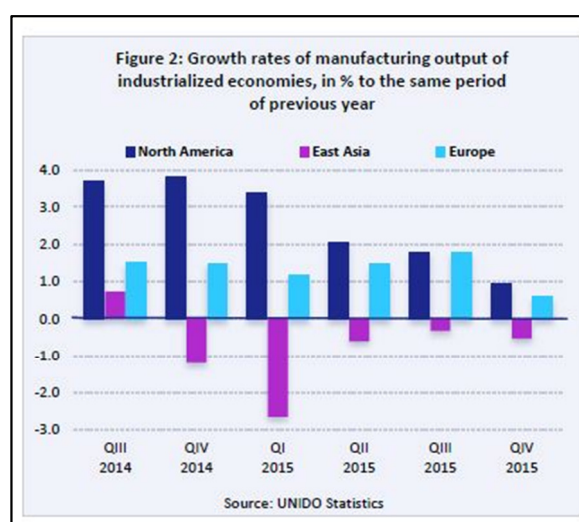
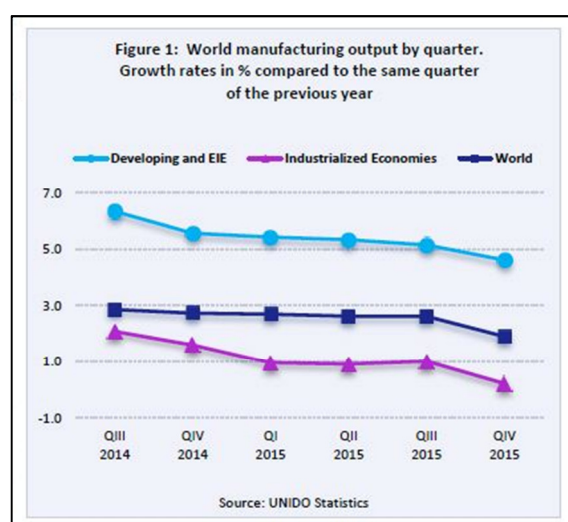
GLOBAL MANUFACTURING INDUSTRY

World manufacturing growth in the fourth quarter of 2015

World manufacturing growth slowed down further in the fourth quarter of 2015, with growth rates in both industrialized and developing economies decreasing. Weak business investment and sluggish consumer demand are among the major causes of the deceleration of global manufacturing output growth.

Growth in major emerging industrial economies has weakened, continuing the trend of the first quarter of 2014. China's slowdown and the sharp decline in manufacturing output of Latin American economies are the primary causes for the country group's weaker growth rate. The fall in commodity prices has affected some key emerging commodity export-dependent countries, namely Brazil and South Africa, and has resulted in currency depreciation.

The upturn in manufacturing growth observed in industrialized economies in the third quarter of 2015 did not continue in the fourth quarter of 2015, and this country group's production output decreased significantly. The slowdown in Europe and North America, along with a further decline in East Asian economies, resulted in a sharp deceleration in the country group's manufacturing output growth. In the United States, manufacturing exports slowed as a result of the strong US dollar and the low oil prices. Continued decline in China has also weakened Chinese demand for imports from Europe.



(Source: World Manufacturing Production- Statistics for Quarter IV, 2015; United Nations Industrial Development Organisation - www.unido.org)

Global manufacturing output growth rose by merely 1.9 per cent in the fourth quarter of 2015, down from a 2.6 per cent revised growth estimate in the third quarter. Slow investment growth, lower commodity and energy prices, weak global demand and geopolitical tensions are among the main causes of the overall flat-lining growth. However, these factors are having different effects on different economies. For example, favourable oil prices have reduced the business costs in oil importing countries, especially in industrialized economies, while oil exporting economies have been subject to increasing financial pressure.

The manufacturing output of industrialized countries rose by 0.2 per cent in the fourth quarter of 2015. This slow growth is attributable to a mixture of weaker growth figures in the United States and Europe and a decline in East Asia's manufacturing output. The question of the robustness of recovery in industrialized economies has been raised in earlier quarterly reports.

The growth of manufacturing output in developing and emerging industrial economies decreased to 4.6 per cent, down from 5.2 per cent growth in the previous quarter. The growth outlook varies between different developing and emerging regions and groups; e.g. manufacturing output grew by 6.1 per cent in developing countries in Asia and the Pacific compared to the same period of the previous year, while it declined by 4.0 per cent in the Latin America region. Manufacturing output has also declined slightly (0.2 per cent) in Africa.

Despite the slower pace of growth, developing and emerging industrial economies were the main drivers of global manufacturing growth. Their combined contribution to global manufacturing growth was around 80 per cent. This indicates the significance of manufacturing activities within the group for the overall global picture.

(Source: World Manufacturing Production- Statistics for Quarter IV, 2015; United Nations Industrial Development Organisation - www.unido.org)

Key Findings on World Manufacturing Sector

On a year-to-year comparison, world manufacturing production grew in all manufacturing sectors in the fourth quarter 2015, with the exception of the manufacture of machinery and equipment and printing and publishing. The global decline in the production output of the manufacture of machinery is attributable to low energy prices. Higher growth rates have been observed in the manufacture of radio and television and of chemicals and chemical products. Growth was positive across all industries in developing and emerging industrial economies, except a slight decline in the manufacture of motor vehicles. Industrialized countries registered negative growth in eight manufacturing industries.

Among the consumer goods production industries, output of wearing apparel grew by 2.2 per cent in developing and emerging markets and by 0.6 per cent in the industrialized country group. The industry's output grew by 16.9 per cent in the Czech Republic, by 14.6 per cent in the United Kingdom, by 12.8 per cent in Egypt, and by 12.3 per cent in Mexico. However, the manufacturing output of the wearing apparel fell sharply in Brazil and Indonesia, by 12.9 per cent and 16.4 per cent, respectively. A significant decline was also observed in wearing apparel production in Canada and Estonia. The production of textiles grew by 4.1 per cent in developing countries while industrialized countries registered a decline of 0.5 per cent in this production. At country level, impressive growth in textiles production was recorded in Argentina, Estonia and Hungary whereas it dropped sharply in Brazil and Senegal. The production of food and beverages grew at a higher rate (5.2 per cent) in developing countries. As such, output grew by 7.8 per cent in China, by 7.3 per cent in Indonesia and by 5.2 per cent in Romania. Output declined by 10.3 per cent in Tunisia and by 7.0 per cent in Egypt. The food sector was the only manufacturing industry with a positive, albeit poor, growth in Brazil.

The notable growth rate of 10.4 per cent was observed in the manufacture of radio, television and communication equipment in developing and emerging countries, with China, Egypt and India being the leading manufacturers. In industrialized markets, the highest growth rate in this manufacturing sector was seen in France.

The production of motor vehicles fell marginally by 0.4 per cent in developing countries, attributed mainly to the decline in the industry in Latin American economies. The industry's output rose by 4.4 per cent in industrialized countries, with Italy, Spain and Sweden being the top producers worldwide in the fourth quarter of 2015. The manufacturing production of other transport equipment increased at a higher rate in developing countries.

The manufacture of chemicals and chemical products increased considerably in China, Senegal and Tunisia, as well as in Ireland, Netherlands and the Russian Federation. The chemical industry was one of the few industries in the Russian Federation recording a higher growth rate, with a 6.6 per cent increase compared to the previous year.

The production of basic metals, which includes the production of basic iron, basic steel, basic precious and non-ferrous metals, rose by 5.9 per cent in developing countries compared to the same period of the previous year, but dropped by 4.8 per cent in industrialized countries in comparison to the previous year. Manufacturing output grew in China, Indonesia and Macedonia, while it fell in all Latin American economies and in Africa.

In the United States, as the largest driver of growth in industrialized economies, the manufacture of electrical machinery and apparatus and motor vehicles remained strong in the fourth quarter of 2015. However, other industries showed either a decline or a decrease in production output. The combination of low energy prices and expensive currency contributed to the economic slowdown of the United States. Despite its slow economic growth, China's manufacturing output in most industries increased compared to the same period of the previous year. China recorded its highest growth rates in the manufacture of radio and television (10.1 per cent), chemicals and chemical products (9.8 per cent) and the manufacture of basic metals (8.9 per cent).

(Source: World Manufacturing Production- Statistics for Quarter IV, 2015; United Nations Industrial Development Organisation - www.unido.org)

INDIAN MANUFACTURING SECTOR

Introduction

The Prime Minister of India, Mr Narendra Modi, has launched the 'Make in India' initiative to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. 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 could 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.

In November 2015, the seasonally adjusted Nikkei India Manufacturing Purchasing Managers' Index (PMI) stood at 50.3, which indicated expansion for twenty-fifth consecutive month. The services PMI was at 50.1 points in November 2015.

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 earlier this year. 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 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.
- The National Institution for Transforming India Aayog (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 missions 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 (UP) has secured investment deals valued at Rs 5,000 crore (US\$ 752.58 million) for setting up mobile manufacturing units in the state.
- The Government of Maharashtra has cleared land allotment for 130 industrial units across the state with an investment of Rs 6,266 crore (US\$ 943.13 million)
- Dr Jitendra Singh, Union Minister of State (Independent Charge) of the Ministry of Development of North Eastern Region (DoNER), MoS PMO, Personnel, Public Grievances & Pensions, Atomic Energy and Space, Government of India, has announced the 'Make in Northeast' initiative beginning with a comprehensive tourism plan for the region.
- 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\$ 752), Kishor - covering loans between Rs 50,000 (US\$ 752) to Rs 0.5 million (US\$ 7,520), and Tarun - covering loans between Rs 0.5 million (US\$ 7,520) and Rs 1 million (US\$ 15,052).

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\$ 28.42 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\$ 0.015 as on December 17, 2015

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

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

INDIAN TEXTILES INDUSTRY

Introduction

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The industry realised export earnings worth US\$ 41.4 billion in 2014-15, a growth of 5.4 per cent, as per The Cotton Textiles Export Promotion Council (Texprocil). The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

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

Market Size

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

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

Government Initiatives

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

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

- The Government of India has started promotion of its 'India Handloom' initiative on social media like Facebook, Twitter and Instagram with a view to connect with customers, especially youth, in order to promote high quality handloom products.
- The Ministry of Textiles launched Technology Mission on Technical Textiles (TMTT) with two mini-missions for a period of five years (from 2010-11 to 2011-12 in the 11th five year plan and 2012-13 to 2014-15 in 12th five year plan) with a total fund outlay of Rs 200 crore (US\$ 30 million). The objective of TMTT is to promote technical textiles by helping to develop world class testing facilities at eight Centres of Excellence across India, promoting indigenous development of prototypes, providing support for domestic and export market development and encouraging contract research.
- The Government of India is expected to soon announce a new National Textiles Policy. The new policy aims at creating 35 million new jobs by way of increased investments by foreign companies, as per Textiles Secretary Mr S K Panda.
- Subsidies on machinery and infrastructure
 - The Revised Restructured Technology Up gradation Fund Scheme (RRTUFS) covers manufacturing of major machinery for technical textiles for 5 per cent interest reimbursement and 10 per cent capital subsidy in addition to 5 per cent interest

reimbursement also provided to the specified technical textile machinery under RRTUFS.

- Under the Scheme for Integrated Textile Parks (SITP), the Government of India provides assistance for creation of infrastructure in the parks to the extent of 40 per cent with a limit up to Rs 40 crore (US\$ 6 million). Under this scheme the technical textile units can also avail its benefits.
- The major machinery for production of technical textiles receives a concessional customs duty list of 5 per cent.
- Specified technical textile products are covered under Focus Product Scheme. Under this scheme, exports of these products are entitled for duty credit scrip equivalent to 2 per cent of freight on board (FOB) value of exports
- The Government of India has implemented several export promotion measures such as Focus Market Scheme, Focus Product Scheme and Market Linked Focus Product Scheme for increasing share of India's textile exports.
- Under the Market Access Initiative (MAI) Scheme, financial assistance is provided for export promotion activities on focus countries and focus product countries.
- Under the Market Development Assistance (MDA) Scheme, financial assistance is provided for a range of export promotion activities implemented by Textiles Export Promotion Councils.
- The government has also proposed to extend 24/7 customs clearance facility at 13 airports and 14 sea ports resulting in faster clearance of import and export cargo.
- The Ministry of Textiles has approved a 'Scheme for promoting usage of geotechnical textiles in North East Region (NER)' in order to capitalise on the benefits of geotechnical textiles. The scheme has been approved with a financial outlay of Rs 427 crore (US\$ 64.1 million) for five years from 2014-15.
- A Memorandum of Understanding (MoU) has been signed between India and Kyrgyzstan seeking to strengthen bilateral cooperation in three fields -Textiles and Clothing, Silk and Sericulture, Fashion

Road Ahead

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

Exchange Rate Used: INR 1 = US\$ 0.015 as on December 17, 2015

References: Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau

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

STRUCTURE OF INDIA'S TEXTILES INDUSTRY

The Indian textile industry mostly comprises small-scale, non-integrated spinning, weaving and knitting, fabric finishing, and apparel-making enterprises. Other textile-producing countries mainly have large scale mills with modern technology and machinery, that integrate spinning, weaving and, sometimes, fabric finishing. This unique industry structure in India is primarily a result of government policies on tax, labour and other regulations that have promoted labour-intensive, small-scale operations often discriminating against larger scale firms.

Composite Mills: Relatively large-scale mills that integrate spinning, weaving and, sometimes, fabric finishing now account for about only 3 percent of output in the textile sector in India. About 276 composite mills are now operating in India, most owned by the public sector and many deemed financially “sick.”

Spinning: Spinning is the process of converting cotton or manmade fibre into yarn to be used for weaving and knitting. Largely due to deregulation that began in the mid-1980s, spinning is to date considered the most consolidated and technically efficient segment of the industry. However average plant sizes remain small and technology is out-dated, relative to other major producers.

Weaving and Knitting: Weaving and knitting converts cotton, manmade, or blended yarns into woven or knitted fabrics. This segment is highly unorganised with mostly small-scale and labour-intensive enterprises. The organised sector contributes only 5% of the total production. The segment has about 3.9 million hand looms and 1.8 million power-looms in India.

Fabric Finishing: Fabric finishing also called processing includes dyeing, printing, and other cloth preparation prior to the manufacture of apparels. This segment is dominated by a large number of independent, small scale enterprises. Overall, about 2,300 processors are operating in India, including about 2,100 independent units and 200 units that are integrated with spinning, weaving, or knitting units.

Apparels: Apparels are produced by about 77,000 small-scale units classified as domestic manufacturers, manufacturer exporters, and fabricators (subcontractors). According to a report by Wazir Advisors, the size of the Indian apparel market in 2012 was \$ 45 billion. The report estimates India and China to be the fastest growing markets, growing in double digits and becoming the biggest consumer market with a mammoth share of 27% in the world’s apparel market.

(Source: *The Textile & Apparels Industry – Contributing to “Make in India”* October, 2015 - *The Associated Chambers of Commerce and Industry of India* – www.assochem.org)

OPPORTUNITIES IN TEXTILE INDUSTRY

Immense growth potential

The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. The sector is expected to be reached to USD226 billion by FY2023. Population is expected to reach to 1.34 billion by FY2019. Urbanisation is expected to support higher growth due to change in fashion and trends

Private sector participation in silk Production

The Central Silk Board sets targets for raw silk production and encourages farmers and private players to grow silk. To achieve these targets, alliances with the private sector, especially major agro-based industries in pre-cocoon and post-cocoon segments has been encouraged

Proposed FDI in multi-brand retail

For the textile industry, the proposed hike in FDI limit in multi-brand retail will bring in more players, thereby providing more options to consumers. It will also bring in greater investments along the entire value chain – from agricultural production to final manufactured goods. With global retail brands assured of a domestic foothold, outsourcing will also rise significantly

Retail sector offers growth Potential

With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with several international players like Marks & Spencer, Guess and Next having entered Indian market. The organised apparel segment is expected to grow at a Compound Annual Growth Rate (CAGR) of more than 13 per cent over a 10-year period.

Centers of Excellence (CoE) for research and technical training

The CoEs are aimed at creating testing and evaluation facilities as well as developing resource centres and training facilities. Existing four CoEs, BTRA for Geotech, SITRA for Meditech, NITRA for Protech and SASMIRA for Agrotech, would be upgraded in terms of development of incubation centre and support for development of prototypes. Fund support would be provided for appointing experts to develop these facilities

Foreign investments

The government is taking initiatives to attract foreign investments in the textile sector through promotional visits to countries such as Japan, Germany, Italy and France. According to the new Draft of the National Textile Policy, the government is planning to attract foreign investments thereby creating employment opportunities to 35 million people

(Source: Textile and Apparel Report January 2016 - India Brand Equity Foundation www.ibef.org)

POLICY SUPPORT HAS BEEN A KEY INGREDIENT TO GROWTH**Technology Up gradation Fund Scheme (TUFS)**

- Investment was made to promote modernisation and up-gradation of the textile industry by providing credit at reduced rates.
- USD0.39 billion has been allocated for TUFS scheme for FY15

National Textile Policy – 2000

- The policy was introduced for the overall development of textile industry.
- Key areas of focus include technological upgrades, enhancement of productivity, product diversification and financing arrangements. New draft for this policy ensures to employ 35 million by attracting foreign investments. It also focuses on establishing a modern apparel garment manufacturing centre in every.
- North Eastern state for which Government has invested an amount of USD3.27 million.

Foreign Direct Investment

- FDI of up to 100 per cent is allowed in the textile sector through the automatic route.

Scheme for Integrated Textiles Parks (SITP)

- SITP was set up in 2005 to provide necessary infrastructure to new textile units; under SITP, 40 projects (worth USD678 million) have been sanctioned.
- Out of these 40 projects, 27 have started production. 16 projects has been completed and as on November 2014, Government has invested a total of USD21.96 million for 21 new textile parks and the remaining 13 textile parks has been given the in-principle approval under SITP

Technical textile industry

- Government of India has planned an increase in the fund outlay for technical textiles industry to more than USD117 million during the current 12th Five Year Plan (2012-17)

(Source: Textile and Apparel Report January 2016 - India Brand Equity Foundation www.ibef.org)

ADVANTAGE INDIA**Robust demand**

- Increased penetration of organised retail, favourable demographics, and rising income levels to drive textile demand.
- Growth in building and construction will continue to drive demand for non clothing textiles.

Increasing investments

- Huge investments are being made by Government under Scheme for Integrated Textile Parks (SITP)-(USD184.98 Million) and Technology Up gradation Fund Scheme (TUFS)-(term loan sanctioned in Feb, 2015-USD2198.45 Million) to encourage more private equity and to train workforce.

Competitive Advantage

- Abundant availability of raw materials such as cotton, wool, silk and jute.
- India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to major textile producers.

Policy support

- 100 per cent FDI (automatic route) is allowed in the Indian textile sector.
- Under Union Budget 2015-16, government has allocated USD39.81million for integrated parks in India.
- Free trade with ASEAN countries and proposed agreement with European Union will boost exports.

Market Value: USD 108.5 Billion 2015E

Market Value: USD 226 Billion 2023F

(Source: Textile and Apparel Report January 2016 - India Brand Equity Foundation www.ibef.org)

SUMMARY OF BUSINESS

OVERVIEW

Our Company Nandani Creation Limited, incorporated in the year 2012, is engaged in manufacturing and marketing of women apparels like kurtis, sarees, ethnic tops, palazzo, patiala salwar suits, dupattas, quilted jackets, dress material, etc. We are popularly known and identified in apparel market by our brand name “Jaipurkurti.com”. Our brand is best known for its ethnic wear, kurtis with traditional designs having wide range of colour, patterns and sizes. We distribute our products by following e-retail model and have developed a sustainable business model over the period.

Founded by Anuj Mundra and Vandna Mundra, our promoters have adequate experience in the line of business and looks after strategic as well as day to day business operations. Our company started its commercial production in the F.Y. 2012-13 with an Annual Turnover of Rs. 59.20 Lakhs; thereby growing manifold in past four years and recently recorded an Annual Turnover of Rs. 1418.64 lakhs for the F.Y. 2015-16. Brand development and customer loyalty are one of the key factors of success in our industry. Our brand has been well received uptil now and we shall, continue to endeavour to build brand equity by supplying qualitative products at competitive prices. Our Company is also registered as SSI – Micro Unit with DIC, Jaipur.

Our registered office and manufacturing unit is situated at F-95, Kartarpura Industrial Area, Near 22 Godam, Jaipur – 302006. We have our design studio and production house with a team of professionals in the department. Our registered office and manufacturing unit is spread over 790 square yards, with all necessary facilities. Recently we have invested in Desi Fusion Private Limited and made it a subsidiary of our Company. Our subsidiary company is engaged in the business of dyeing and printing of grey fabric. We procure the finished goods of subsidiary Company as our raw materials and further process into apparel as per on-going trends suggested by designer team. This gives us advantage of an integrated manufacturing process.

The products such as kurtis and kurtas are processed at our current manufacturing unit. Due to the diversified product range, we follow the asset-light model and job work the remaining products to the third-party manufacturers. For facilitating ease in distribution, we also have branch offices located at Hyderabad and Gurgaon.

For e-retailing our products, we have developed our own website www.jaipurkurti.com and also have tie-ups with major e-commerce players. E-retailing has enabled us to reach wide number of consumers at reduced costs, enhanced our brand visibility and made us a known name in the market.

With the passion of our promoters, dedication of our team, development of our brand, customer loyalty, growing trend in e-commerce and continued government support we aim to expand our operations on PAN India basis and become a popular brand among the masses.

OUR PRODUCTS

Kurtis: A kurti is a loose shirt falling either just above or somewhere below the knees of the wearer. They are traditionally worn with loose-fitting salwars, semi-tight (loose from the waist to the knees, and tight from the calves to the ankles) churidars, and now also worn with jeans. Kurtis are worn both as casual everyday wear and as formal dress.

Palazzo: It is wide form of trousers worn by women. It is generally paired with Kurtis and comes in different type of materials

Sarees: A saree is a garment that consists of a drape varying from five to nine yards (4.5 metres to 8 metres) in length and two to four feet in breadth that is typically wrapped around the waist, with one end draped over the shoulder, baring the midriff.

Patiala Salwar Suits: A Patiala salwaris a type of female trousers which has its roots in Patiala City in the Northern region of Punjab state. The reason the patiala dress is preferred by most of the women is for its comfort and durability. Since the patiala salwar is very loose and stitched with pleats it is a very comfortable outfit to wear.

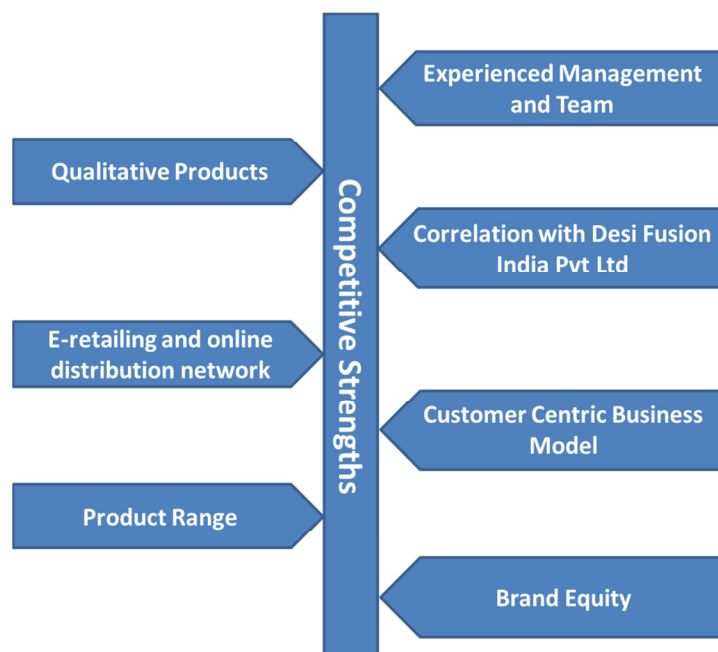
Dupattas: A dupatta is a long, multi-purpose scarf that is essential to many women's suits and matches the woman's garments. The dupatta is most commonly used with salwar kameez and the kurti. The dupatta has long been a symbol of modesty for dresses.

Quilted Jackets: A quilted jacket is a shirt with a third padding layer or interlining between the fabric, which provides the popular, three-dimensional look. The term 'quilt' derives from the Latin word cucita, which means cushion or bolster.

Dress Material: We also supply unstitched/ semi stitched dress material which can be then stitched as per the requirements of the user. These dress materials come in a wide range of colors , materials and pattern.

We also deal in ethinc tops, kurtas and other form of traditional/ethnic women apparels.

OUR COMPETITIVE STRENGTHS



1) Our Experienced Management

We have an experienced management team with our promoters having more than a decade experience in textile industry. It is through the constant efforts and experience of our management team that we have been able to build a sustainable business model. We also have employed people in different areas of work who have required technical competence and qualifications. We strongly believe that the success of our organization lies in the efforts of our human resources.

2) Qualitative Products

Our Company believes that quality of an apparel decides its future. The growth of our organization is directly proportional to the quality of our supplies. Our Company attempts to supply qualitative products at competitive prices. We are specific about the quality of products manufactured by us and take adequate measures to maintain good quality levels. Further we also conduct test checks for products manufactured by third party manufacturers on our behalf.

3) Correlation with Desi Fusion India Pvt Ltd

We have an integrated business process for manufacturing some of our product range and volume of kurtis, dresses, etc. as our wholly owned subsidiary supplies around 30% of our raw material requirement. Further we also have a locational advantage to procure such material from our subsidiary as it is located in our adjoining premises. Such co-relation results in reduced costs due to lower overheads, elimination of transport costs, etc. Other benefits include that the quality of the products is ensured, timely delivery of raw materials and better inventory management. It also reduces our dependence on third party suppliers.

4) E-retailing and online distribution network

At present, our distribution model is based on e-retailing. Such distribution model help us achieve many competitive advantages such as wider reach to consumers, reduced overheads with lower logistics costs, elimination of dealer margins, increased brand recognition, etc. Further increase in e-commerce activities and growing internet penetration in country shall enhance our business prospects.

5) Customer Centric Business Model

Our Company focuses on attaining highest level of customer satisfaction. The progress achieved by us is largely due to our ability to address and exceed customer satisfaction. Our Company has always believed in assessing the changing consumer preferences from time to time and redesigning our products accordingly by continuously exploring new designs, styles, etc.

6) Product Range

We have a comprehensive portfolio of product offerings covering kurtis, sarees, ethnic tops, palazzo, patiala salwar suits, dupattas, quilted jackets, dress material, etc. We believe our comprehensive range of products enables ourselves to capitalize on growth opportunities and demand in the apparel industry. Apparel industry is highly exposed to the risk of sudden change in fashion trends and obsolescence of designs. We insulate ourselves from these changes by keeping pace with changing fashion trends and introducing new and innovative designs and products.

7) Brand Equity

Our Company's brand viz. JaipurKurti.com is well known in their respective product categories. All our brands are well received by our customers. Further we are also in the process of developing our brand "Desi Fusion" which shall expand our affordable clothing segment. Our qualitative and customer demand satisfying products helps us to achieve brand recall among our consumers which strengthens our brand equity.

BUSINESS STRATEGY



SUMMARY OF FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

Annexure I

(Rs. in Lakhs)

Sr. No.	Particulars	For the year ended March 31,			
		2016	2015	2014	2013
	EQUITY AND LIABILITIES				
1)	<u>Shareholders Funds</u>				
	a. Share Capital	9.00	9.00	9.00	1.00
	b. Reserves & Surplus	50.00	4.63	1.30	0.19
2)	Share Application Money Pending Allotment	-	-	-	-
3)	<u>Non Current Liabilities</u>				
	a. Long Term Borrowings	111.86	62.57	27.82	0.50
	b. Long Term Provisions	5.06	5.78	1.38	0.09
4)	<u>Current Liabilities</u>				
	a. Short Term Borrowings	128.15	18.31	26.13	-
	b. Trade Payables	198.34	100.17	85.75	30.27
	c. Other Current Liabilities	13.90	5.22	0.95	0.69
	d. Short Term Provisions	14.76	0.11	0.47	0.11
	T O T A L	531.07	205.79	152.80	32.85
	ASSETS				
1)	<u>Non Current Assets</u>				
	a. Fixed Assets				
	i. Tangible Assets	24.39	4.67	3.74	0.12
	Less: Accumulated Depreciation	3.91	1.57	0.36	-
	Net Block	20.48	3.10	3.38	0.12
	b. Deferred Tax Assets (Net)	1.19	1.83	0.34	0.03
	c. Long Term Loans & Advances	2.42	0.38	0.38	-
2)	<u>Current Assets</u>				
	a. Inventories	147.36	56.72	69.51	11.04
	b. Trade Receivables	349.17	137.96	76.39	18.58
	c. Cash and cash equivalents	10.23	5.51	1.97	2.81
	d. Short Term Loans & Advances	0.22	0.27	0.81	0.28
	T O T A L	531.07	205.79	152.80	32.85

STATEMENT OF PROFIT AND LOSS AS RESTATED
Annexure II
(Rs. in Lakhs)

Sr. No.	Particulars	For the year/period ended March 31,			
		2016	2015	2014	2013
A	INCOME				
	Revenue from Operations	1,418.64	480.12	189.28	59.20
	Other Income	1.18	2.37	0.44	0.00
	Total Income (A)	1,419.82	482.49	189.72	59.20
B	EXPENDITURE				
	Cost of Materials Consumed	320.68	172.03	60.22	32.08
	Purchase of Stock in Trade	241.53	48.98	17.15	1.04
	Changes in inventories of finished goods, traded goods and work-in-progress	(97.96)	(9.91)	(19.52)	(10.55)
	Employee benefit expenses	77.66	79.79	26.86	0.60
	Finance costs	14.75	6.83	1.87	-
	Depreciation and amortisation expense	2.34	1.21	0.36	-
	Other Expenses	795.09	178.74	101.04	35.76
	Total Expenses (B)	1,354.09	477.67	187.98	58.93
C	Profit before extraordinary items and tax	65.73	4.82	1.74	0.27
	Prior period items (Net)	-	-	-	-
	Profit before exceptional, extraordinary items and tax (A-B)	65.73	4.82	1.74	0.27
	Exceptional items	-	-	-	-
	Profit before extraordinary items and tax	65.73	4.82	1.74	0.27
	Extraordinary items	-	-	-	-
D	Profit before tax	65.73	4.82	1.74	0.27
	<i>Tax expense :</i>				
	(i) Current tax	19.71	2.98	0.94	0.11
	(ii) Deferred tax	0.65	(1.49)	(0.31)	(0.03)
E	Total Tax Expense	20.36	1.49	0.63	0.08
F	Profit for the year (D-E)	45.37	3.33	1.11	0.19

STATEMENT OF CASH FLOWS AS RESTATED
Annexure III
(Rs. in Lakhs)

Particulars	For the year/period ended March 31,			
	2016	2015	2014	2013
Cash Flow From Operating Activities:				
Net Profit before tax as per Statement of Profit And Loss	65.73	4.82	1.73	0.27
Adjustments for:				
Provision for Gratuity	-	4.48	1.32	0.10
Provision for Gratuity written back	(0.74)	-	-	-
Depreciation & Amortisation Expense	2.34	1.21	0.36	-
Interest Expense	14.75	6.83	1.87	-
Interest Income	(0.04)	-	-	-
Operating Profit Before Working Capital Changes	82.04	17.34	5.28	0.37
Adjusted for (Increase)/ Decrease in:				
Inventories	(90.64)	12.79	(58.47)	(11.04)
Trade Receivables	(211.22)	(61.58)	(57.81)	(18.58)
Loans & Advances	(1.98)	0.54	(0.91)	(0.28)
Trade Payables	98.17	14.42	55.47	30.27
Other Current Liabilities & Provisions	58.27	3.85	0.60	0.69
Cash Generated From Operations Before Extra-Ordinary Items	(65.36)	(12.64)	(55.84)	1.43
Add:- Extra-Ordinary Items	-	-	-	-
Cash Generated From Operations	(65.36)	(12.64)	(55.84)	1.43
Net Income Tax paid	(19.74)	(3.00)	(0.96)	-
Net Cash Flow from/(used in) Operating Activities: (A)	(85.10)	(15.64)	(56.80)	1.43
Cash Flow From Investing Activities:				
Purchase of Fixed Assets (including capital work in progress)	(19.72)	(0.92)	(3.62)	(0.12)
Interest Income	0.04	-	-	-
Net Cash Flow from/(used in) Investing Activities: (B)	(19.68)	(0.92)	(3.62)	(0.12)
Cash Flow from Financing Activities:				
Proceeds From issue of Share Capital	-	-	8.00	1.00
Net Increase/(Decrease) in Borrowings	124.23	26.92	53.45	0.50
Interest paid	(14.75)	(6.83)	(1.87)	-
Net Cash Flow from/(used in) Financing Activities (C)	109.49	20.09	59.58	1.50
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	4.70	3.53	(0.83)	2.81
Cash & Cash Equivalents As At Beginning of the Year	5.51	1.98	2.81	-
Cash & Cash Equivalents As At End of the Year	10.21	5.51	1.97	2.81

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS	
Particulars	Details of Equity Shares
Public Issue of Equity Shares	14,44,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 28/- per Equity Share aggregating Rs.404.32 lakhs
Of which:	
Market Maker Reservation Portion	76,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 28 /- per Equity Share aggregating Rs. 21.28 lakhs
Net Issue to the Public*	13,68,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 28/- per Equity Share aggregating Rs. 383.04 lakhs
	<i>Of which:</i>
	6,84,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 28/- per Equity Share aggregating Rs.191.52 lakhs will be available for allocation for allotment to Retail Individual Investors of up to Rs. 2 lakhs
	6,84,000 Equity Shares of face value of Rs. 10 /- each fully paid of the Company for cash at price of Rs.28/- per Equity Share aggregating Rs. 191.52 lakhs will be available for allocation to investors above Rs. 2 lakhs
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	15,05,580 Equity Shares
Equity Shares outstanding after the Issue	29,49,580 Equity Shares
Use of Proceeds(Objects of the Issue)	For further details please refer chapter titled “ Objects of the Issue ” beginning on page 94 of this 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 August 02, 2016 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 August 03, 2016.

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

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue, 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 248 of this Prospectus.

GENERAL INFORMATION

Our Company was incorporated as “Nandani Creation Private Limited” at Banipark, Jaipur, Rajasthan as a Private Limited Company under the provisions of the Companies Act, 1956 *vide* Certificate of Incorporation dated February 21, 2012 bearing Corporate Identification Number U18101RJ2012PTC037976 issued by Registrar of Companies, Rajasthan. Subsequently, our Company was converted into Public Limited Company under Section 18 of the Companies Act, 2013; pursuant to Shareholders resolution passed at the Extraordinary General Meeting held on August 03, 2016 and the name of our Company was changed to “Nandani Creation Limited” and a fresh Certificate of Incorporation consequent upon conversion from Private Limited Company to Public Limited Company dated August 12, 2016 was issued by the Registrar of Companies, Jaipur. The Corporate Identification Number of our Company is U18101RJ2012PLC037976.

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 160 of this Prospectus.

REGISTERED OFFICE OF OUR COMPANY

Nandani Creation Limited

F-95, Kartarpura Industrial Area,
Near 22 Godam, Jaipur- 302006, Rajasthan

Tel: +91 141 403 7596

Fax: Not Available

Email: info@jaipurkurti.com

Website: www.jaipurkurti.com

Corporate Identification Number: U18101RJ2012PLC037976

REGISTRAR OF COMPANIES

Registrar of Companies, Rajasthan

Corporate Bhawan
G/6-7, Second Floor, Residency Area
Civil Lines, Jaipur-302001

DESIGNATED STOCK EXCHANGE

Emerge Platform of NSE (SME Exchange)

National Stock Exchange of India Limited

Exchange Plaza, C/1, G Block,
Bandra-Kurla Complex,
Bandra (E), Mumbai - 400051

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age (In Years)	DIN	Address	Designation
1.	Anuj Mundra	35	05202504	C6/412, Jaisingh Haive, C Block, Banipark, Ward No 16, Jaipur-302016	Chairman & Managing Director
2.	Vandna Mundra	35	05202403	C6/412, Jaisingh Haive, C Block, Banipark, Ward No 16, Jaipur-302016	Whole-Time Director
3.	Sunita Devi Mundhra	55	05203015	C6/412, Jaisingh Haive, C Block, Banipark, Ward No 16, Jaipur-302016	Whole-Time Director

Sr. No.	Name	Age (In Years)	DIN	Address	Designation
4.	Gagan Saboo	34	07545038	B-3, Metal Colony, Amba Bari, Jaipur-302023	Additional Independent Director
5.	Neetesh Kabra	41	01574553	17, Ajmera Garden, Nirman Nagar, Kings Road, Jaipur 302015	Additional Independent Director
6.	Gaurav Jain	34	00065686	8/336, Old Vidhyadhar Nagar, Jaipur 302023	Additional Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 164 of this Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Priya Kshtriya

Nandani Creation Limited

F-95, Kartarpura Industrial Area, Near 22 Godam,

Jaipur- 302006

Tel: +91 141 403 7596

Fax: Not Available

Email: info@jaipurkurti.com

Website: www.jaipurkurti.com

CHIEF FINANCIAL OFFICER

Dwarka Dass Mundhra

Nandani Creation Limited

F-95, Kartarpura Industrial Area, Near 22 Godam,

Jaipur- 302006

Tel: +91 141 403 7596

Fax: Not Available

Email: cfo@jaipurkurti.com

Website: www.jaipurkurti.com

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

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

STATUTORY AUDITOR

Ashok Holani & Co., Chartered Accountants

B-15/16, Shiv Marg, BaniPark,

Jaipur-302016, Rajasthan

Tel: +91 141 2203995

Fax: +91 141 2201259

Email: ashokholanico@gmail.com

Contact Person: Ashok Holani

Firm Registration No: 009840C

Membership No: 079684

PEER REVIEWED AUDITOR

R.T. Jain & Co.

2nd Floor, Lotus Building,

59, Mohammed Ali Road,

Mumbai-400013

Tel: +91 22 23465218

Fax: +91 22 23464955

E-mail: info@rtjainandco.com

Contact Person: R.T. Jain

Firm Registration No: 103961W

Membership No: 139447

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

LEAD MANAGERS

Pantomath Capital Advisors Private Limited

406-408, Keshava Premises

Bandra Kurla Complex, Bandra (East)

Mumbai 400 051

Tel: +91 22 61946720/24

Fax: + 91 22 26598690

Email: ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Contact Person: Kirti Kanoria

SEBI Registration No: INM000012110

Indian Overseas Bank

Merchant Banking Division, 763, AnnaSalai,
Chennai-600 002

Tel.: + 91 44 2851 9548/ 2888 9367;

Email: mbd@iobnet.co.in

Website: www.iob.in

Contact Person: (i) B. Gomathy/ S.Chandra,
Merchant Banking Division, Chennai

(ii) S. Muralidharan, Capital Market Services
Branch, Mumbai,

Tel: + 91 22 226 22017/2262 2018

SEBI Registration No: INM000001386

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited

E/2, Ansa Industrial Estate, Sakivihar Road,

Saki Naka, Andheri East,

Mumbai-400072

Tel: +91 22 40430200

Fax: +91 22 28475207

Email: ipo@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Babu Raphael

SEBI Registration No: INR000001385

LEGAL ADVISOR TO THE ISSUE

M V Kini, Law Firm

Kini House, 216/263,
1st Floor, Near Citi Bank,
D.N. Road, Fort, Mumbai – 400001.

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

Axis Bank Limited

B-115 Shanti Towers, Ground Floor,
Hawa Sadak, Civil Lines,
Jaipur-302006

Tel: +91 41 4033061

Fax: +91 41 4033065

E-mail: civillines.branchhead@axisbank.com

Contact Person: Madan Mohan Sharma

Website: www.axisbank.com

BANKER TO THE ISSUE/ PUBLIC ISSUE BANK AND REFUND BANKER

ICICI Bank Limited

Capital Market Division,
1st Floor, 122, Mistry Bhavan,
Dinshaw Vachha Road, Backbay Reclamation,
Churchgate, Mumbai-400020

Tel: +91 22 22859907/ 23/ 24

Fax: +91 22 22611138

E-mail: rishav.bagrecha@icicibank.com

Contact Person: Rishav Bagrecha

Website: www.icicibank.com

SEBI Registration Number: INBI00000004

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 <http://www.sebi.gov.in/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate-Banks-SCSBs-for-Syndicate-ASBA>. For details on Designated Branches of SCSBs collecting the ASBA Bid Form, please refer to the above-mentioned SEBI link.

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.

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. 404.32 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.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Below mentioned table set forth the inter-se allocation of responsibilities for various activities among the Lead Managers to this Issue; i.e. PCAPL and IOB

Sr. No.	Activities	Responsibility	Coordinator
1.	Capital restructuring with the relative components and formalities such as type of instruments, etc.	PCAPL, IOB	PCAPL
2.	Due diligence of the Company's operations/ management/ business plans/ legal, etc. Drafting and design of offer document and of statutory advertisement including memorandum containing salient features of the Draft Prospectus/ Prospectus. The Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock exchange(s), RoC and SEBI including finalization of the Draft Prospectus/ Prospectus and filing the Prospectus with the RoC.	PCAPL, IOB	PCAPL
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, etc.	PCAPL	PCAPL
4.	Appointment of registrar and other agencies to the Issue.	PCAPL	PCAPL
5.	Appointment of all other intermediaries including bankers to the Issue, printers, advertising agency etc.	PCAPL	PCAPL
6.	<ul style="list-style-type: none"> Developing marketing strategy which will cover, inter alia Formulating marketing strategies, preparation of publicity budget; f Finalising media, marketing and public relations strategy; 	PCAPL, IOB	PCAPL

Sr. No.	Activities	Responsibility	Coordinator
	<ul style="list-style-type: none"> Finalising bidding and collection centres; and Follow-up on distribution of publicity and issue material including form, Draft Prospectus, Prospectus and deciding on the quantum of the issue material. 		
7.	Coordination with Stock Exchange for bidding terminals and mock trading.	PCAPL	PCAPL
8.	Management of Public Issue Bank account and Refund Bank account and allocation.	PCAPL	PCAPL
9.	Post bidding activities including coordination for non- institutional allocation, coordination with Registrar and Banks, intimation of allocation and dispatch of refund to Bidders, etc. The post issue activities of the issue will involve essential follow up steps, which include finalization of trading and dealing instruments and dispatch of certificates and demat delivery of shares, with the various agencies connected with the work such as Registrar to the Issue, Banker to the Issue and the bank handling refund business, unblocking of ASBA funds, etc. The Lead Managers shall be responsible for ensuring that these agencies fulfill their functions and enable them to discharge the responsibility through suitable agreements with the Issuer Company.	IOB	IOB

EXPERT OPINION

Our Company has not obtained any expert opinion

DEBENTURE TRUSTEE

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

UNDERWRITER

Our Company and Lead Managers to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated August 30, 2016 and pursuant to the terms of the underwriting agreement; obligations of the underwriters are subject to certain conditions specified therein. The underwriters have 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 Co-Op Soc. Ltd., Bandra Kurla Complex, Bandra East Mumbai 400051 Tel: +91 22 61946772 Fax: + 91 22 26598690 Email: ipo@pantomathgroup.com Contact Person: Madhu Lunawat SEBI Registration Number: INM000012110	7,32,000	204.96	50.70%
Indian Overseas Bank Merchant Banking Division, 763, AnnaSalai, Chennai-600 002 Tel.: + 91 44 2851 9548/ 2888 9367; Email: mbd@iobnet.co.in Website: www.iob.in Contact Person: (i) B. Gomathy/ S.Chandra, Merchant Banking Division, Chennai (ii) M Muralidharan, Capital Market Services Branch, Mumbai, Tel: + 91 22 226 22017/2262 2018 SEBI Registration No: INM000001386	7,12,000	199.36	49.30%
Total	14,44,000	404.32	100.00%

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

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Managers have entered into a tripartite agreement dated September 19, 2016, with the following Market Maker, duly registered with National Stock Exchange of India Limited to fulfil the obligations of Market Making:

BCB Brokerage Private Limited

1207-A P J Towers, Dalal Street,
Mumbai-400001

Tel: +91 2272 0000

Fax: +91 2272 2451

E-mail: marketmaker@bcbbrokerage.com

Website: www.bcbbrokerage.com

Contact Person: Uttam Bagri

SEBI Registration No.: INB011161131

BCB Brokerage Private Limited, registered with Emerge Platform 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 fulfil 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 offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of 28/- the minimum lot size is 4,000 Equity Shares thus minimum depth of the quote shall be Rs. 1,12,000 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 76,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% 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, BCB Brokerage 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(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Managers 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 Lead Managers reserve the right to appoint

other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Corporate Office from 11.00 a.m. to 5.00 p.m. on working days.

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

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

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

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 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		
	32,50,000 Equity Shares of face value of Rs. 10/- each	325.00	
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	15,05,580 Equity Shares of face value of Rs. 10/- each	150.56	
C.	Present Issue in terms of this Prospectus		
	Issue of 14,44,000 Equity Shares of face value Rs.10 each at a price of Rs. 28/- per Equity Share	144.40	404.32
	Consisting :		
	Reservation for Market Maker – 76,000 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. 28/- per Equity Share	7.60	21.28
	Net Issue to the Public – 13,68,000 Equity Shares of face value of Rs. 10 each at a price of Rs. 28/- per Equity Share	136.80	383.04
	Of the Net Issue to the Public		
	Allocation to Retail Individual Investors- 6,84,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 28/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 lacs	68.40	191.52
	Allocation to Other than Retail Individual Investors- 6,84,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 28/- per Equity Share shall be available for allocation for Investors applying for a value above Rs. 2 lacs	68.40	191.52
D.	Issued, Subscribed and Paid-Up Share Capital after the Issue		
	29,49,580 Equity Shares of face value of Rs. 10 each	294.96	
E.	Securities Premium Account		
	Before the Issue		103.81
	After the Issue		312.73

The Issue has been authorised by the Board of Directors of our Company vide a resolution passed at its meeting held on August 02, 2016 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 August 03, 2016.

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 Prospectus.

Issue expenses of Rs. 51.00 lakhs has been deducted while calculating after the issue securities premium account.

NOTES TO THE CAPITAL STRUCTURE

1. Details of changes in authorised Share Capital:

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

Particulars of Change		Date of Shareholders' Meeting	AGM / EGM
From	To		
Rs. 1,00,000 consisting of 10,000 Equity shares of Rs. 10 each.		On Incorporation	--
Rs. 1,00,000 consisting of 10,000 Equity Shares of Rs. 10 each.	Rs. 10,00,000 consisting of 1,00,000 Equity Shares of Rs. 10 each.	March 03, 2014	EGM
Rs. 10,00,000 consisting of 1,00,000 Equity shares of Rs. 10 each.	Rs. 3,00,00,000 consisting of 30,00,000 Equity shares of Rs. 10 each.	May 07, 2016	EGM
Rs. 3,00,00,000 consisting of 30,00,000 Equity shares of Rs. 10 each	Rs. 3,25,00,000 consisting of 32,50,000 Equity shares of Rs. 10 each.	August 13, 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 number of Equity Shares	Cumulative Paid-up Capital (Rs.)
On Incorporation (February 21, 2012)	10,000	10	10	Cash	Subscription to MOA ⁽ⁱ⁾	10,000	1,00,000
March 07, 2014	80,000	10	10	Cash	Further Issue ⁽ⁱⁱ⁾	90,000	9,00,000
May 11, 2016	4,50,000	10	N.A.	Other than Cash	Bonus Issue ⁽ⁱⁱⁱ⁾	5,40,000	54,00,000
May 13, 2016	3,00,000	10	20	Other than Cash	Conversion of Unsecured Loan ^(iv)	8,40,000	84,00,000
August 01, 2016	5,75,000	10	20	Other than Cash	Conversion of Unsecured Loan ^(v)	14,15,000	1,41,50,000
August 20, 2016	90,580	10	28	Cash	Further Issue ^(vi)	15,05,580	1,50,55,800

- (i) Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs. 10/- each fully paid at par on February 21, 2012, as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Vandna Mundra	5,100
2.	Anuj Mundra	2,500
3.	Sunita Devi Mundhra	2,400
	Total	10,000

- (ii) Further Issue of 80,000 Equity Shares of face value of Rs. 10/- each fully paid at par on March 07, 2014, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Vandna Mundra	50,000
2.	Anuj Mundra	30,000
	Total	80,000

- (iii) Bonus Issue of 4,50,000 Equity Shares of face value of Rs. 10/- each on May 11, 2016, in the ratio of 5 Equity Shares for every 1 Equity Share held as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Vandna Mundra	2,75,000
2.	Anuj Mundra	1,63,000
3.	Sunita Devi Mundhra	12,000
	Total	4,50,000

- (iv) Further Issue by way of Conversion of unsecured loan into 3,00,000 Equity Shares of face value of Rs. 10/- each fully paid at an issue price of Rs. 20/- per share (including premium of Rs. 10/- per share) on May 13, 2016, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Vandna Mundra	67,500
2.	Anuj Mundra	1,60,000
3.	Sunita Devi Mundhra	72,500
	Total	3,00,000

- (v) Further Issue by way of Conversion of unsecured loan into 5,75,000 Equity Shares of face value of Rs. 10/- each fully paid at an issue price of Rs. 20/- per share (including premium of Rs. 10/- per share) on August 01, 2016, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Anuj Mundra	5,70,000
2.	Dwarka Dass Mundhra	4,700
3.	Alok Rawat	100
4.	Ankita Rawat	100
5.	Sunita Pareek	100
	Total	5,75,000

- (vi) Further Issue of 90,580 Equity Shares of face value of Rs. 10/- each fully paid at an issue price of Rs. 28/- per share (including premium of Rs. 18/- per share) on August 20, 2016, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Vandna Mundra	45,290
2.	Anuj Mundra	45,290
	Total	90,580

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

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits accrued to our Company	Allottees	No. of Shares Allotted
May 11, 2016	4,50,000	10	N.A.	Bonus Issue in the ratio of 5 Equity Shares for every 1 Equity Share held	Nil	Vandna Mundra	2,75,000
						Anuj Mundra	1,63,000
						Sunita Devi Mundhra	12,000
May 13, 2016	3,00,000	10	20	Conversion of Unsecured Loan	Debt is converted into Fixed Capital	Vandna Mundra	67,500
						Anuj Mundra	1,60,000
						Sunita Devi Mundhra	72,500
August 01, 2016	5,75,000	10	20	Conversion of Unsecured Loan	Debt is converted into Fixed Capital	Anuj Mundra	5,70,000
						Dwarka Dass Mundhra	4,700
						Alok Rawat	100
						Ankita Rawat	100
						Sunita Pareek	100

4. No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.
5. Our Company has not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. We have not issued any shares at price below issue price within last one year from the date of this Prospectus except as given below:

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Allottees	No. of Shares Allotted
May 11, 2016	4,50,000	10	N.A.	Bonus Issue in the ratio of 5 Equity Shares for every 1 Equity Share held	Vandna Mundra	2,75,000
					Anuj Mundra	1,63,000
					Sunita Devi Mundhra	12,000
May 13, 2016	3,00,000	10	20	Conversion of Unsecured Loan	Vandna Mundra	67,500
					Anuj Mundra	1,60,000
					Sunita Devi Mundhra	72,500
August 01, 2016	5,75,000	10	20	Conversion of Unsecured Loan	Anuj Mundra	5,70,000
					Dwarka Dass Mundhra	4,700
					Alok Rawat	100
					Ankita Rawat	100
					Sunita Pareek	100

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

(i) Build-up of Promoters' shareholdings

As on the date of this Prospectus, our Promoters Vandna Mundra and Anuj Mundra holds 14,13,680 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

a. Vandna Mundra

Date of Allotment and made fully paid up / Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post – issue shareholding %	Lock-in Period	Source of funds	Pledge
February 21, 2012	5,100	10	10	Subscription to MOA	0.34%	0.17%	3 Years	Savings	No
March 07, 2014	50,000	10	10	Further Issue	3.32%	1.70%	3 Years	Borrowings	No
March 31, 2014	(100)	10	10	Transfer	(0.01%)	(0.00%)	N/A	N/A	N/A
May 11, 2016	2,75,000	10	N/A	Bonus Issue	18.27%	9.32%	3 Years	N/A	No
May 13, 2016	67,500	10	20	Conversion of unsecured loan	4.48%	2.29%	1 Year	Conversion of unsecured loan	No
August 20, 2016	45,290	10	28	Further Issue	3.01%	1.54%	3 Years	Borrowings	No
Total	4,42,790				29.41%	15.01%			

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

Details of borrowings:

Name of the lender	Amount (Rs. in lakhs)	Address
Anand Maheshwari	5.00	Jaipur
Shrey Buildcon Private Limited	12.75	Jaipur

b. Anuj Mundra

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Lock-in Period	Source of funds	Pledge
February 21, 2012	2,500	10	10	Subscription to MOA	0.17%	0.08%	3 Years	Savings	No
March 07, 2014	30,000	10	10	Further Issue	1.99%	1.02%	3 Years	Savings	No
October 20, 2015	100	10	10	Transfer	0.01%	0.00%	1 Year	Savings	No
May 11, 2016	1,63,000	10	N/A	Bonus Issue	10.83%	5.53%	3 Years	N/A	No
May 13, 2016	1,60,000	10	20	Conversion of unsecured loan	10.63%	5.42%	1 Year	Conversion of unsecured loan	No
August 01, 2016	5,70,000	10	20	Conversion of unsecured loan	37.86%	19.32%	1 Year	Conversion of unsecured loan	No
August 20, 2016	45,290	10	28	Further Issue	3.01%	1.54%	3 Years	Borrowings	No
Total	9,70,890				64.49%	32.92%			

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

Details of borrowings:

Name of the lender	Amount (Rs. in lakhs)	Address
Shrey Buildcon Private Limited	12.75	Jaipur

(ii) Details of Promoters' 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 Promoters' Contribution ("Promoters Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 20.89% 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 and made fully paid up / Transfer	No. of Shares Allotted / Transferred	Face Value	Issue Price	Nature of Allotment	% of Post Issue shareholding	Lock in Period
Vandna Mundra						
February 21, 2012	5,100	10	10	Subscription to MOA	0.17%	3 Years
March 07, 2014	50,000	10	10	Further Issue	1.70%	3 Years
May 11, 2016	2,75,000	10	N/A	Bonus Issue	9.32%	3 Years
August 20, 2016	45,290	10	28	Further Issue	1.54%	3 Years
Anuj Mundra						
February 21, 2012	2,500	10	10	Subscription to MOA	0.08%	3 Years
March 07, 2014	30,000	10	10	Further Issue	1.02%	3 Years
May 11, 2016	1,63,000	10	N/A	Bonus Issue	5.53%	3 Years
August 20, 2016	45,290	10	28	Further Issue	1.54%	3 Years
Total	6,16,180				20.89%	

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:

- The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this 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;
- The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price;
- Our Company has not been formed by the conversion of a partnership firm into a Company and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm;
- The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;

- e. All the Equity Shares of our Company held by the Promoter are in the process of being dematerialized; and
- f. The Equity Shares offered for Promoters' 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 Promoters' contribution subject to lock-in.

(iii) Details of Equity Shares 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 Promoter's Contribution of 20.89 % of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

8. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI Listing Regulations 2015:-

i. Summary of Shareholding Pattern as on date of this Prospectus:

C a t e g o r y	Category of Shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share holding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) 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
							As a % of (A+B+C2)	No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
I	II	III	IV	V	VI	VII = IV + V + VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
A	Promoter and Promoter Group	4	15,05,280	-	-	15,05,280	99.98	15,05,280	99.98	-	99.98	-	-	-	-	15,05,280
B	Public	3	300	-	-	300	0.02	300	0.02	-	0.02	-	-	-	-	0
C	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

C a t e g o r y	Category of Shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares**		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
I	II	III	IV	V	VI	VII = IV + V + VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	15,05,580	-	-	15,05,580	100.00	15,05,580	100.00	-	100.00	-	-	-	-	15,05,280

*As on the date of this Prospectus 1 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

Sr. No.	Category of Shareholder	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share holding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
	I	II	II I	IV	V	VI	VII = IV+V+VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
(1)	Indian																
(a)	Individuals/Hindu undivided Family																
	Anuj Mundra		1	9,70,890	-	-	9,70,890	64.49	9,70,890	64.49	-	64.49	-	-	-	-	9,70,890
	Vandna Mundra		1	4,42,790	-	-	4,42,790	29.41	4,42,790	29.41	-	29.41	-	-	-	-	4,42,790
	Sunita Devi Mundhra		1	86,900	-	-	86,900	5.77	86,900	5.77	-	5.77	-	-	-	-	86,900
	Dwarka Dass Mundhra		1	4,700	-	-	4,700	0.31	4,700	0.31	-	0.31	-	-	-	-	4,700

Sr. No.	Category of Shareholder	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share holding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total (A) (1)		4	15,05,280	-	-	15,05,280	99.98	15,05,280	99.98	-	99.98	-	-	-	-	15,05,280
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non-Resident)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category of Shareholder	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share holding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
	Individuals/ Foreign Individuals)								-								
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total (A) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group		4	15,05,280	-	-	15,05,280	99.98	15,05,280	99.98	-	99.98	-	-	-	-	15,05,280

Sr. No.	Category of Shareholder	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share holding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
	(A)= (A)(1)+(A)(2)																

I. Shareholding pattern of the Public shareholder

Sr. No.	Category of Shareholder	P A N	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share holding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares*		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No. of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
	I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
(1)	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total (B) (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central Government/State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	Non-Institutions																
(a)	Individuals																
	i. Individual shareholders holding nominal share capital up to of Rs. 2 lakhs	-	3	300	-	-	300	0.02	300	0.02	-	0.02	-	-	-	-	0
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(3)	-	3	300	-	-	300	0.02	300	0.02	-	0.02	-	-	-	-	0
	Total Shareholding of Public (B)= (B)(1)+(B)(2)+ (B)(3)	-	3	300	-	-	300	0.02	300	0.02	-	0.02	-	-	-	-	0

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

	Category of Shareholder	P A N	No s. of sha reh old ers	No. of full y pai d up equ ity sha res hel d	No. of Par tly pai d- up equ ity sha res hel d	No. of sha res un der lyi ng De pos itor y Re cei pts	Tota l nos. sha res held	Share holdin g 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 Shar es Und erlyi ng Outs tandi ng conv ertib le secu rities (includ ing War rants)	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 encumbe red		Nu mb er of equ ity sha res hel d in de mat eria lize d for m
									No of Voting Rights			Tot al as a % of (A +B +C)			No. (a)	As a % of tot al Sh are s hel d (b)	No. (a)	As a % of tot al Sha res hel d (b)	
									C la ss eg : X	C la ss eg : Y	T ot al								
	I	II	III	IV	V	VI	VII = IV+ V+V I	VIII	IX				X	XI = VII + X	XII		XIII		XI V
(1)	Custodian / DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Name of DR Holder (if applicable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub total (C)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share 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.

9. Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoter and Promoter Group”:

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.	Anuj Mundra	9,70,890	64.49%	9,70,890	32.92%
2.	Vandna Mundra	4,42,790	29.41%	4,42,790	15.01%
	Sub Total (A)	14,13,680	93.90%	14,13,680	47.93%
	Promoter Group				
3.	Sunita Devi Mundhra	86,900	5.77%	86,900	2.95%
4.	Dwarka Dass Mundhra	4,700	0.31%	4,700	0.16%
	Sub total (B)	91,600	6.08%	91,600	3.11%
	Total (A+B)	15,05,280	99.98%	15,05,280	51.04%

10. 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.)
Anuj Mundra	9,70,890	16.68
Vandna Mundra	4,42,790	7.16

11. No persons belonging to the category “Public” holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares.
12. 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 Prospectus are set forth below:

- a. Particulars of the top ten shareholders as on the date of filing this Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Anuj Mundra	9,70,890	64.49%
2.	Vandna Mundra	4,42,790	29.41%
3.	Sunita Devi Mundhra	86,900	5.77%
4.	Dwarka Dass Mundhra	4,700	0.31%
5.	Alok Rawat	100	0.01%
6.	Ankita Rawat	100	0.01%
7.	Sunita Pareek	100	0.01%
	Total	15,05,580	100.00%

As on the date of this Prospectus, our Company has only 7 shareholders.

b. Particulars of top ten shareholders ten days prior to the date of filing this Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Anuj Mundra	9,25,600	64.49%
2.	Vandna Mundra	3,97,500	29.41%
3.	Sunita Devi Mundhra	86,900	5.77%
4.	Dwarka Dass Mundhra	4,700	0.31%
5.	Alok Rawat	100	0.01%
6.	Ankita Rawat	100	0.01%
7.	Sunita Pareek	100	0.01%
	Total	15,05,580	100.00%

As at ten days prior to date of this Prospectus, our Company has only 7 shareholders.

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

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Total Paid-Up Capital
1.	Vandna Mundra	55,000	61.11%
2.	Anuj Mundra	32,500	36.11%
3.	Sunita Devi Mundhra	2,400	2.67%
4.	Naveen Advani	50	0.06%
5.	Sonali Agarwal	50	0.06%
	Total	90,000	100.00%

Our Company had only 5 shareholders two years prior to the date of this Prospectus.

13. 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.
14. Neither the Lead Managers viz. Pantomath Capital Advisors Private Limited and Indian Overseas Bank, nor their associates hold any Equity Shares of our Company as on the date of the Prospectus.
15. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Managers and the Emerge Platform of NSE.
16. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
17. 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.

18. Except as set out below, none of the members of the Promoter Group, the Promoter, our Directors and their immediate relatives have purchased or sold any Equity Shares during the period of six months immediately preceding the date of filing of the Prospectus with the Stock Exchange.

Date of Allotment	Name of the Allottee	No. of Shares Allotted / Transferred	Face Value	Issue Price	Nature of Allotment
May 11, 2016	Vandna Mundra	2,75,000	10	N/A	Bonus Issue
	Anuj Mundra	1,63,000	10	N/A	
	Sunita Devi Mundhra	12,000	10	N/A	
May 13, 2016	Vandna Mundra	67,500	10	20	Conversion of unsecured loan into Equity Shares
	Anuj Mundra	1,60,000	10	20	
	Sunita Devi Mundhra	72,500	10	20	
August 01, 2016	Anuj Mundra	5,70,000	10	20	Conversion of unsecured loan into Equity Shares
	Dwarka Dass Mundhra	4,700	10	20	
August 20, 2016	Vandna Mundra	45,290	10	28	Further Issue
	Anuj Mundra	45,290	10	28	

19. There are no Equity Shares against which depository receipts have been issued.
20. Other than the Equity Shares, there are 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, rights issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Further, our Company 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 / Companies comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity / individual or otherwise during the period of six months immediately preceding the date of filing of this Prospectus.
23. Our Company, our Promoters, our Directors and the Lead Managers 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 finalising the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.

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 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 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. We have 7 shareholders as on the date of filing of the 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 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 financial years ended March 31, 2016, 2015, 2014 and 2013 please refer to paragraph titled 'Details of Related Parties Transactions as Restated' in the chapter titled "*Financial Statements as Restated*" on page 187 of the Prospectus.

None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "*Our Management*" beginning on page 164 of the 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 object to the Issue is:

1. Working Capital requirements;
2. General Corporate Purpose;

We believe that the 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 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	404.32
Less: Issue related expenses*	51.00
Net Proceeds	353.32

* As on date of the Prospectus, our Company has incurred Rs 5 lakhs towards Issue expenses.

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	282.32	79.90%
2.	General Corporate Purpose	71.00	20.10%

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.

Working Capital Requirement

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

As on March 31, 2015 and March 31, 2016 our Company's net working capital consisted of Rs. 94.96 Lakhs and Rs. 279.98 Lakhs respectively, based on the restated financial statements.

The total working capital requirement for the year 2016-17 is expected to be Rs. 683.67 Lakhs. The incremental working capital requirement for the year ending March 31, 2017 will be Rs. 403.69 lakhs, which will be met through the Net Proceeds to the extent of Rs. 282.32 lakhs, and the balance portion will be met through internal accruals.

Basis of estimation of working capital requirement

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

Particulars	Amount (Rs. In Lakhs)	
	As on March 31	
	2015	2016
Current Assets		
Inventories		
Raw material	16.74	9.43
Finished goods/ Stock-in-trade	39.98	137.93
Trade Receivables	137.96	349.17
Cash and Bank Balance	5.51	10.23
Short term loans & advances & other current assets	0.27	0.22
Total (A)	200.46	506.98
Current Liabilities		
Trade Payables	100.17	198.34
Other Current Liabilities & short term provisions	5.33	28.66
Total (B)	105.50	227.00
Net Working Capital (A)-(B)	94.96	279.98
Incremental Working Capital	33.45	185.02
Sources of Incremental Working Capital		
Incremental borrowings	33.45	149.76
Internal accruals	-	35.26
Total Source	33.45	185.02

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

Particulars	Amount (Rs. In Lakhs)	
	2016-17 (Estimated)	
Current Assets		
Inventories		
Raw material		20.00
Finished goods/Stock-in-trade		310.57
Trade Receivables		529.43
Cash and Bank Balance		13.83

Particulars	2016-17 (Estimated)
Short term loans & advances and other current assets	9.89
Total (A)	883.72
Current Liabilities	
Trade Payables	160.00
Other Current Liabilities & Provisions	40.05
Total (B)	200.05
Net Working Capital (A)-(B)	683.67
Incremental Working Capital*	403.69
Sources Of Incremental Working Capital	
Issue Proceeds	282.32
Further Issue of Capital and Internal Accruals	121.37
Total Source	403.69

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

Assumption for working capital requirements

Assumptions for Holding Levels*

(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)
Current Assets			
Inventories*			
Raw material	0.91	0.20	0.25
Finished Goods	1.36	1.44	1.67
Trade Receivables	3.45	2.95	2.31
Current Liabilities			
Trade Payables	5.44	4.23	2.00

Our Company proposes to utilize Rs. 282.32 lakhs of Net Proceeds towards working capital requirements for meeting our business requirements.

The incremental working capital requirements are based on historical Company data and estimation of the future requirements in Financial Year 2016-17 considering the growth in activities of our Company. Our Company has assumed raw material inventory of 0.25 month and finished goods inventory of 1.67 month for the Financial Year 2016-2017.

Our Debtors cycle was of about 3.45 months and 2.95 months in Financial Year 2014-15 and 2015-2016. We have assumed that our debtor's cycle will be 2.31 months for Financial Year 2016-17. Similarly we have estimated current assets, trade payables, current liabilities and short term provisions in line with working capital employed in past years and expected to be employed in Financial Year 2016-17.

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 we have assumed raw material and finished goods inventory of around 0.25 month and 1.67 month respectively which is slightly higher than for F.Y. 2015-16 as we tend to increase our operations.
Trade receivables	In FY 2016-17 the trade receivable holding period is estimated to decrease from 2.95 months in F.Y. 2015-16 to 2.31 months as we strive to have a stringent debtor management policy.
Liabilities– Current Liabilities	
Trade Payables	In FY 2016-17, the credit period is expected to be 2.00 months as compared to 4.23 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. 71.00 lakhs being 20.10% 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. 51.00 Lakhs.

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Payment to Merchant Bankers including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc.	45.00	88.24%	11.13%
Regulatory fees	2.50	4.90%	0.62%
Marketing and Other Expenses	3.50	6.86%	0.87%
Total estimated Issue expenses	51.00	100.00%	12.61%

**As on date of the Prospectus, our Company has incurred Rs. 5 Lakhs towards Issue Expenses out of internal accruals.*

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

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.01% on the Allotment Amount# or Rs 100/- whichever is less on the Applications wherein shares are allotted.

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

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

SCHEDULE OF IMPLEMENTATION & DEPLOYMENT OF FUNDS:

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

Activity	Total Amount (Rs in Lakhs)	Amount incurred till date	Estimated deployment of the Issue Proceeds during FY 2016-2017
Working Capital Requirements	282.32	-	282.32
General Corporate Purposes	71.00	-	71.00

Our Statutory Auditors, Ashok Holani & Co., Chartered Accountants vide their certificate dated September 20, 2016 have confirmed that the following funds have been deployed towards issue expenses.

Source	Amount (Rs in Lakhs)
Internal Accruals	5.00

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

BRIDGE FINANCING

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

APPRAISAL BY APPRAISING AGENCY

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

INTERIM USE OF FUNDS

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

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

MONITORING UTILIZATION OF FUNDS

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

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the

Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Prospectus.

VARIATION IN OBJECTS

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

OTHER CONFIRMATIONS

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

BASIS FOR ISSUE PRICE

The Issue Price of Rs 28/- per Equity Share has been determined by our Company, in consultation with the Lead Managers on the basis of the following qualitative and quantitative factors.

The face value of the Equity Share is Rs. 10/- and Issue Price is Rs. 28/- per Equity Share and is 2.8 times the face value.

QUALITATIVE FACTORS

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

- Experienced Management
- Qualitative Products
- E-retailing and online distribution network
- Correlation with Desi Fusion India Pvt Ltd
- Brand Equity

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 133 of this Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2016, 2015 and 2014 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	0.24	1
March 31, 2015	0.62	2
March 31, 2016	8.40	3
Weighted average		4.45

Note:-

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

Date of Allotment	Particulars
May 11, 2016	Bonus Issue of 4,50,000 Equity Shares of face value of Rs. 10/- each on May 11, 2016, in the ratio of 5 Equity Shares for every 1 Equity Share held.

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 28/- per Equity Share of Rs. 10 each fully paid up.

Particulars	P/E Ratio
P/E ratio based on Basic & Diluted EPS for FY 2015-16	3.33
P/E ratio based on Weighted Average Basic & Diluted EPS	6.30
**Industry P/E	
Lowest	15.20
Highest	15.20
Average	15.20

**Industry Composite comprises only Bella Casa Fashion Retail Limited. However, considering the nature and size of business of the Company the peers are not strictly comparable. However, above Companies have been included for broad comparison.

3. Return On Net worth (RONW)

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

Year ended	RoNW	Weight
March 31, 2014	10.78	1
March 31, 2015	24.43	2
March 31, 2016	76.90	3
Weighted Average		48.39

Note: - The RONW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year.

4. Minimum Return on Total Net Worth post Issue needed to maintain Pre Issue EPS for the year ended March 31, 2016 is 40.44%

5. Net Asset Value (NAV)

Particulars	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2016	10.93
Net Asset Value per Equity Share after the Issue	20.78
Issue Price per equity share	28.00

Note:

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

Date of Allotment	Particulars
May 11, 2016	Bonus Issue of 4,50,000 Equity Shares of Rs. 10/- each in the ratio of 5 equity shares for every 1 Equity Share held.
May 13, 2016	Conversion of Unsecured Loan of Rs. 60,00,000 into 3,00,000 Equity Shares of face value of Rs. 10 each at a premium of Rs. 10 each.
August 01, 2016	Conversion of Unsecured Loan of Rs. 1,15,00,000 into 5,75,000 Equity Shares of face value of Rs. 10 each at a premium of Rs. 10 each.
August 20, 2016	Further Issue of 90,580 Equity Shares of face value of Rs. 10/- each fully paid at premium of Rs. 18/- each.

6. Comparison with other listed companies

Companies	CMP	Basic & Diluted EPS	PE Ratio	RONW %	NAV (Per Share)	Face Value	Total Income (Rs.in Crore)
Nandani Creation Limited	28	8.40	3.33	76.90%	10.93	10	14.20
Peer Group*							
Bella Casa Fashion Retail Limited	26.75	1.76	15.20	11.63%	12.95	10	85.30

*Source: www.bseindia.com

**CMP for our Company is considered as Issue Price

Notes:

1. Considering the nature and size of business of the Company the peers are not strictly comparable. However, above Companies have been included for broad comparison.
2. The figures for Nandani Creation Limited are based on the restated results for the year ended March 31, 2016.
3. The figures for the peer group are based on respective standalone audited results for the year ended March 31, 2016.
4. Current Market Price (CMP) is the closing price of the script as on September 19, 2016 or as on the last traded day before September 19, 2016.
5. P/E Ratio has been computed as the closing market price of the Company sourced from the BSE website as on September 19, 2016 as divided by the respective Basic EPS provided under Note 6.
6. The Issue Price of Rs. 28 per Equity Share has been determined by the Company in consultation with the LM and is justified based on the above accounting ratios.

For further details refer section titled “Risk Factors” beginning on page 16 of this Prospectus and the financials of the Company including profitability and return ratios, as set out in the section titled “Financial Statements” beginning on page 187 of this Prospectus for a more informed view.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To
The Board of Directors
Nandani Creation Limited,
F-95, Kartarpura Industrial Area,
Near 22 Godam,
Jaipur 302006.

Dear Sirs,

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

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

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

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

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

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

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

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

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

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

(CA Bankim Jain)
Partner
Membership No. 139447

Mumbai, August 24, 2016

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

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

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

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

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

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

SECTION IV –ABOUT THE COMPANY OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 16 and 187 respectively of this Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION: TEXTILE INDUSTRY

The history of textiles in India dates back to around 3000 BC where the use of mordant dyes and printing blocks was prevalent. The diversity of fibres found in India, intricate weaving on its state-of-the-art manual looms and its organic dyes attracted buyers from all over the world for centuries. However, the industry faced a setback during British colonisation, when the industrial policies destroyed the innovative eco-system and left it technologically impoverished. Independent India saw the building up of textile capabilities, diversification of the product base, and the emergence of the industry, once again, as an important global player.

The Indian textiles and apparels industry is one of the oldest industries in India having evolved impressively from a domestic small scale industry to one of the largest in the world with a massive raw material and textiles manufacturing base. It is also one of the largest and most important sectors of the Indian economy in terms of output, foreign exchange earnings and employment thus contributing greatly to the exchequer. The sector has a unique position as a self-reliant industry, from the production of raw materials to the delivery of finished products, with substantial value-addition at each stage of processing. Its vast potential for creation of employment opportunities in the agricultural, industrial, organised and decentralised sectors & rural and urban areas, particularly for women and the disadvantaged is noteworthy. Thus, the growth and all round development of this sector has a direct bearing on the development of the economy.

In 2013 the Indian textile industry contributed about 14% to the Index of Industrial Production, 4% to the country's GDP and 17% to the country's export earnings. Around 8% of the total excise revenue collection is contributed by the textile industry. The industry currently estimated at around US \$108 billion, is expected to reach US \$ 141 billion by 2021. Given these facts and the strong backward and forward linkages of the sector with other manufacturing industries, the industry is of high focus for the Government and Industry.

(Source: The Textile & Apparels Industry – Contributing to “Make in India” October, 2015 - The Associated Chambers of Commerce and Industry of India – www.assochem.org)

TEXTILE AND APPAREL INDUSTRY - OVERVIEW

The textile and apparel industry can be broadly divided into two segments yarn and fibre, and processed fabrics and apparel. India accounts for ~14 per cent of the world's production of textile fibres and yarns (largest producer of jute, second largest producer of silk and cotton, and third largest in cellulosic fibre). India has the highest loom capacity (including hand looms) with 63 per cent of the world's market share.

The domestic textile and apparel industry in India is estimated to reach US\$ 141 billion by 2021 from US\$ 67 billion in 2014. Increased penetration of organised retail, favourable demographics, and rising income levels are likely to drive demand for textiles. India is the world's second largest exporter of textiles and clothing.

Textile and apparel exports from India are expected to increase to US\$ 82 billion by 2021 from US\$ 40 billion in 2014. Readymade garments remain the largest contributor to total textile and apparel exports from India. In FY15 the segment had a share of 40 per cent of all textile and apparel exports. Cotton and manmade textiles were the other major contributors with shares of 31 per cent and 16 per cent, respectively.

Rising government focus and favourable policies is leading to growth in the textiles and clothing industry. Foreign direct investment (FDI) in textile sector increased to US\$ 1,587.8 million in FY15 from US\$ 1,424.9 million in FY14. The Ministry of Textiles is encouraging investments through increasing focus on schemes such as Technology Up gradation Fund Scheme (TUFS). To promote apparel exports, 12 locations have been approved by the government to set up apparel parks for exports. As per the 12th Five Year Plan, the Government plans to provide a budgetary support of US\$ 4.25 billion to textiles. Free trade with ASEAN countries and proposed agreement with European Union will also help boost exports.

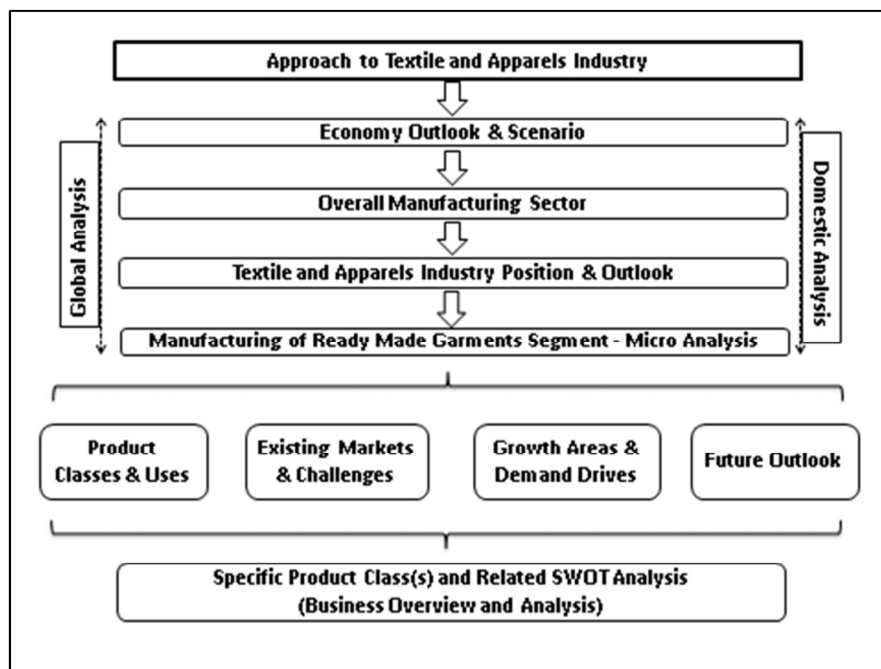
(Source: Indian Textiles and Apparel Industry Analysis, India Brand Equity Foundation www.ibef.org)

APPROACH TO INDUSTRY ANALYSIS

Analysis of Textile and Apparel Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Textile and Apparels Industry forms part of Manufacturing Sector at a macro level. Hence, broad picture of Manufacturing Sector should be at preface while analysing the Textile and Apparel 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 'Textile and Apparels Industry', which in turn encompasses various components one of them being "Ready Made Garment Segment".

Thus, Ready Made Garment Segment should be analysed in the light of 'Textile industry' at large. An appropriate view on Ready Made Garment Segment, then, calls for the overall economy outlook, performance and expectations of Manufacturing Sector, position of Textile 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 Textile and Apparels Industry and / or any other industry, may entail legal consequences.

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 over's of subdued global growth to other economies through trade channels and weaker commodity prices is manifest in diminishing confidence and increasing volatility in financial markets. In addition, a dual monetary policy—a gradual tightening in monetary policy in the US in the backdrop of its resilient recovery and easy monetary policy in several other major advanced economies has led to continued uncertainties and poses challenges for the year ahead. In the case of EMDEs, growth remained subdued at 4 per cent in 2015, but is projected to increase to 4.3 per cent in 2016 and 4.7 per cent in 2017. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17. Assessments indicate that mixed inflation developments in EMDEs reflect the conflicting implications of weak domestic demand and lower commodity prices versus marked currency depreciations over the past year.

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

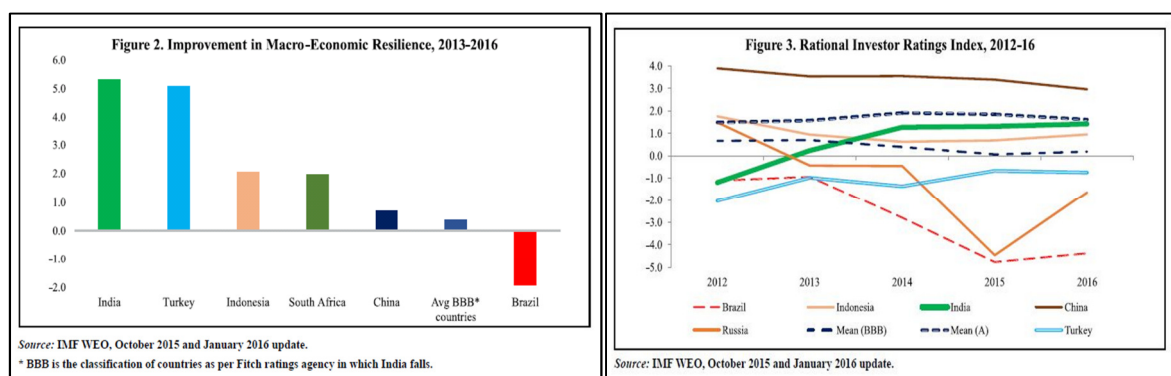
(Source: Economic Survey 2015-16-Volume II; www.indiabudget.nic.in)

THE INDIAN ECONOMY

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

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

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



(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 73/4 percent.
- Inflation remains under control The CPI-New Series inflation has fluctuated around 51/2 percent, while measures of underlying trends—core inflation, rural wage growth and minimum support price increases—have similarly remained muted. Meanwhile, the WPI has been in negative territory since November 2014, the result of the large falls in international commodity prices, especially oil. As low inflation has taken hold and confidence in price stability has improved, gold imports have largely stabilized, notwithstanding the end of a period of import controls
- Similarly, the external position appears robust. The current account deficit has declined and is at comfortable levels; foreign exchange reserves have risen to US\$351.5 billion in early February 2016, and are well above standard norms for reserve adequacy; net FDI inflows have grown from US\$21.9 billion in April-December 2014-15 to US\$27.7 billion in the same period of 2015-16; and the nominal value of the rupee, measured against a basket of currencies, has been steady. India was consequently well-positioned to absorb the volatility from the U.S. Federal Reserve actions to normalize monetary policy that occurred in December 2015. Although the rupee has declined against the dollar, it has strengthened against the currencies of its other trading partners.
- The fiscal sector registered three striking successes: on-going fiscal consolidation, improved indirect tax collection efficiency; and an improvement in the quality of spending at all levels of government.
- Government tax revenues are expected to be higher than budgeted levels. Direct taxes grew by 10.7 per cent in the first 9 months (9M) of 2015-16. Indirect taxes were also buoyant. In part, this reflected excise taxes on diesel and petrol and an increase in the Swachh Bharat cess. The central excise duty collection from petroleum products during April to December 2015-16 recorded a growth of 90.5 per cent and stood at Rs.1.3 lakh crore as against Rs. 0.7 lakh crore in the same period last year. Tax performance also reflected an improvement in tax administration because revenues increased even after stripping out the additional revenue measures (ARMs). Indirect tax revenues grew by 10.7 per cent (without ARMs) and 34.2 per cent (with ARMs).
- The main findings are that a welcome shift in the quality of spending has occurred from revenue to investment, and towards social sectors. Aggregate public investment has increased by about 0.6 per cent of GDP in the first 8 months of this fiscal year, with contributions from both the Centre (54 per cent) and states (46 per cent).

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

DEVELOPMENTS IN THE CAPITAL MARKET

PRIMARY MARKET

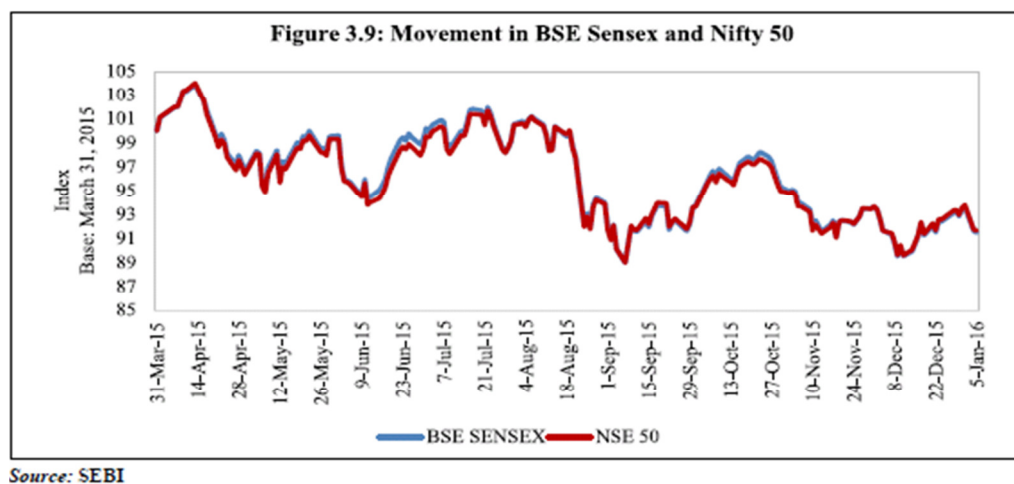
In 2015-16 (April-December), resource mobilization through the public and right issues has surged rapidly as compared to the last financial year. During 2015-16 (April- December), 71 companies have accessed the capital market and raised Rs.51,311 crore, compared to Rs.11,581 crore raised through 61 issues 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 (upto 5 January 2016) over end-March 2015, mainly on account of turmoil in global equity markets in August 2015 following slowdown in China and its currency devaluation and slump in stocks. On 4 January 2016, weak Chinese manufacturing data again led to a global sell-off which caused the BSE Sensex also to decline by 538 points (2.1per cent).The downward trend in the Indian stock market was also guided by mixed corporate earnings for Q1 and Q2 of 2015- 16, FPIs' concern over minimum alternative tax (MAT), weakening of the rupee against the US dollar, investor concern over delay in passage of the Goods and Services Tax (GST) Bill, uncertainty over interest rate hike by US Fed and selling by FPIs. However, the Indian equity market has been relatively resilient during this period compared to the other major EMEs. The Indian stock market withstood the US Fed increase in interest rates in December 2015.



(Source: 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,

dressings and dyeing of fur; motor vehicles, trailers & semitrailers; chemicals and chemical products; refined petroleum products & nuclear fuel; and wood & products of wood. The growth in electricity is mainly contributed by higher growth in generation of thermal and nuclear sector.

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

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

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

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 mindset among rural youth and creating job opportunities among rural women, for high, inclusive and sustained industrial growth

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

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)

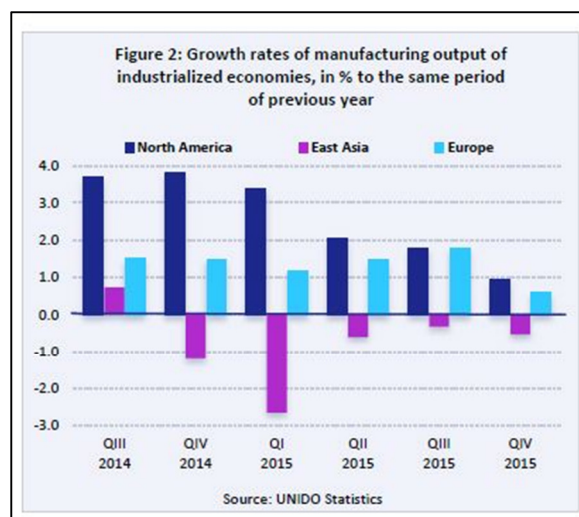
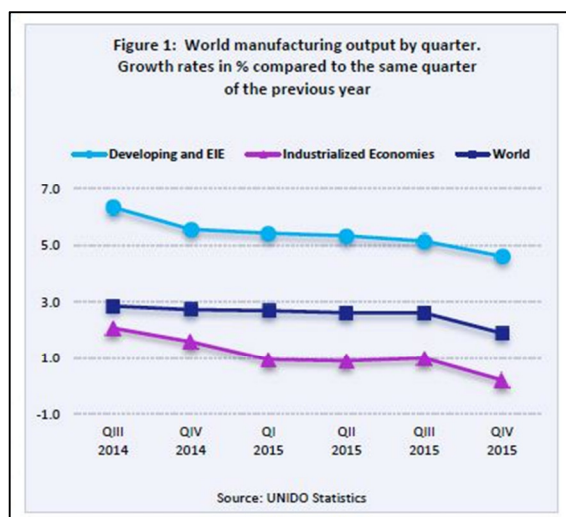
GLOBAL MANUFACTURING INDUSTRY

World manufacturing growth in the fourth quarter of 2015

World manufacturing growth slowed down further in the fourth quarter of 2015, with growth rates in both industrialized and developing economies decreasing. Weak business investment and sluggish consumer demand are among the major causes of the deceleration of global manufacturing output growth.

Growth in major emerging industrial economies has weakened, continuing the trend of the first quarter of 2014. China's slowdown and the sharp decline in manufacturing output of Latin American economies are the primary causes for the country group's weaker growth rate. The fall in commodity prices has affected some key emerging commodity export-dependent countries, namely Brazil and South Africa, and has resulted in currency depreciation.

The upturn in manufacturing growth observed in industrialized economies in the third quarter of 2015 did not continue in the fourth quarter of 2015, and this country group's production output decreased significantly. The slowdown in Europe and North America, along with a further decline in East Asian economies, resulted in a sharp deceleration in the country group's manufacturing output growth. In the United States, manufacturing exports slowed as a result of the strong US dollar and the low oil prices. Continued decline in China has also weakened Chinese demand for imports from Europe.



(Source: *World Manufacturing Production- Statistics for Quarter IV, 2015*; United Nations Industrial Development Organisation - www.unido.org)

Global manufacturing output growth rose by merely 1.9 per cent in the fourth quarter of 2015, down from a 2.6 per cent revised growth estimate in the third quarter. Slow investment growth, lower commodity and energy prices, weak global demand and geopolitical tensions are among the main causes of the overall flat-lining growth. However, these factors are having different effects on different economies. For example, favourable oil prices have reduced the business costs in oil importing countries, especially in industrialized economies, while oil exporting economies have been subject to increasing financial pressure.

The manufacturing output of industrialized countries rose by 0.2 per cent in the fourth quarter of 2015. This slow growth is attributable to a mixture of weaker growth figures in the United States and Europe and a decline in East Asia's manufacturing output. The question of the robustness of recovery in industrialized economies has been raised in earlier quarterly reports.

The growth of manufacturing output in developing and emerging industrial economies decreased to 4.6 per cent, down from 5.2 per cent growth in the previous quarter. The growth outlook varies between different developing and emerging regions and groups; e.g. manufacturing output grew by 6.1 per cent in developing countries in Asia and the Pacific compared to the same period of the previous year, while it declined by 4.0 per cent in the Latin America region. Manufacturing output has also declined slightly (0.2 per cent) in Africa.

Despite the slower pace of growth, developing and emerging industrial economies were the main drivers of global manufacturing growth. Their combined contribution to global manufacturing growth was around 80 per cent. This indicates the significance of manufacturing activities within the group for the overall global picture.

(Source: *World Manufacturing Production- Statistics for Quarter IV, 2015*; United Nations Industrial Development Organisation - www.unido.org)

Industrialized economies

The overall growth trend of industrialized countries decelerated significantly in the last quarter of 2015. Manufacturing output rose by a mere 0.2 per cent compared to the same period of the previous year, down from 1.0 per cent growth observed in the previous quarter.

The European economy grew by 0.6 per cent in the fourth quarter of 2015 compared to the same quarter of the previous year. Yet, the manufacturing output of the euro zone economies rose by 1.5 per cent. As revealed by the figures, Switzerland recorded a 14.7 per cent decline in manufacturing output and dragged down the overall growth rate of industrialized Europe. The consequences of the Swiss franc-euro exchange rate became more visible in the last two quarters of 2015 and have affected the country's exports, which have become more expensive for consumers.

The industrial production index in North America rose by 0.9 per cent in the fourth quarter of 2015 on account of the growth of manufacturing output in the United States. Despite this, the growth of the US manufacturing sector has weakened, rising by only 1.1 per cent as overseas demand remained slow. A strong US dollar hit exports and domestic sales of American manufactured products, indicating a loss in competitiveness to cheaper imported goods. In addition, demand for machinery goods from the energy sector declined due to lower oil prices. Manufacturing output dropped by 1.0 per cent in Canada due to the decline in petroleum and coal prices.

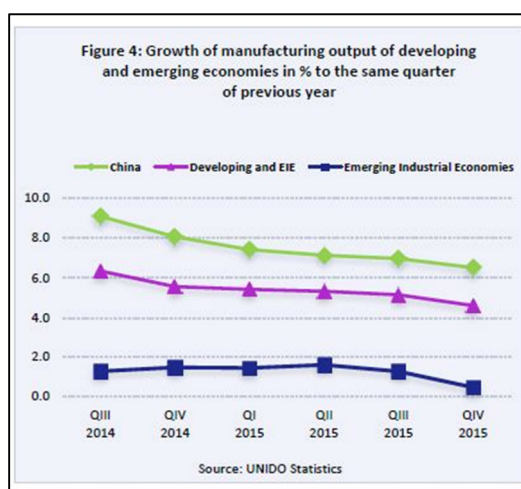
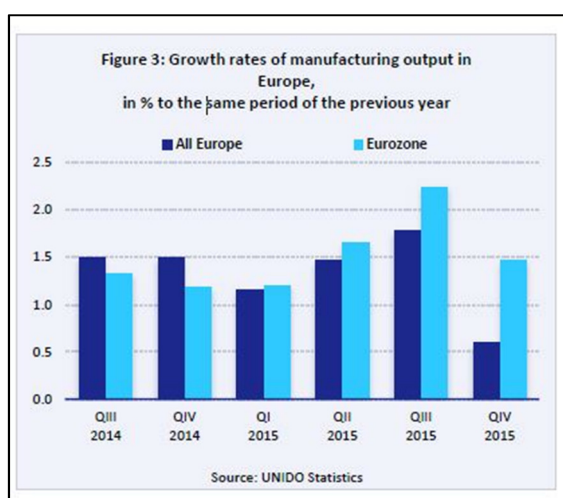
In East Asia, negative growth rates were observed in the major economies, namely Japan, the Republic of Korea and Singapore, in the fourth quarter of 2015, declining by 0.6 per cent, 0.6 per cent and 6.8 per cent, respectively. On the other hand, manufacturing output rose by 4.9 per cent in Malaysia compared to the same period of the previous year.

As already mentioned, Europe's overall growth rate was dragged down by a significant decline in the Swiss economy. This has increased the gap between the output growth of the euro zone and of Europe as a whole, with euro zone countries registering a much higher manufacturing growth due to lower energy prices and a weaker euro. Growth was especially strong in Ireland (15.7 per cent), in Slovakia (7.3 per cent) and in Spain (5.8 per cent).

Across non-euro countries, manufacturing output declined in Norway, Switzerland and the United Kingdom. The downturn in Norway by 7.6 per cent is attributed to a decrease in the production of oil- and gas-related industries. The setback in the UK's manufacturing sector by 1.0 per cent resulted from a strong currency and weak global demand. At the same time, the output of manufacturing activities increased by 3.9 per cent in the Czech Republic, by 9.4 per cent in Hungary, and 3.7 per cent in Sweden in the fourth quarter of 2015. The manufacture of motor vehicles was the main driver of growth in Hungary's manufacturing sector.

The decline in the Russian Federation's manufacturing sector continued, with output decreasing by 5.7 per cent and currency depreciation deteriorating.

Despite the overall positive growth in industrialized economies as a whole, growth rates remained low. Appropriate monetary policies are required that can boost demand and increase investment.



(Source: World Manufacturing Production- Statistics for Quarter IV, 2015; United Nations Industrial Development Organisation - www.unido.org)

Developing and emerging industrial economies

A decrease in the growth rate of manufacturing output in developing and emerging industrial economies continued in the fourth quarter of 2015. Industrial production rose by 4.6 per cent as a result of the relatively lower growth in Asian economies (mainly China) and a notable decline in Latin America. Growth in emerging economies, excluding China, continued to decelerate.

As mentioned in earlier reports, China is in a transition period of shifting its economy from the manufacturing sector towards the services sector. As a result of the structural change in the economy, China's manufacturing output rose by 6.5 per cent in the fourth quarter of 2015, the slowest growth rate since 2005 and down from 7.0 per cent in the previous quarter. Recently, the Government of China announced the two-child policy, which could accelerate economic growth in the near future. This will significantly boost internal demand for consumer goods within the country.

The Latin America region is struggling to overcome a deep recession as demonstrated by the decline in manufacturing output by 4.0 per cent in the fourth quarter, lower than the 2.9 per cent drop recorded in the previous quarter. The industrial production index decreased in nearly all economies with the exception of Mexico, where output grew by 2.2 per cent on a year-to-year basis. In Brazil, the recession continued and manufacturing output fell by 12.4 per cent in the fourth quarter of 2015 as the internal political crisis remained unresolved and commodity prices declined. Among the other major economies in the region, manufacturing output dropped by 0.9 per cent in Argentina, by 1.5 per cent in Chile, by 0.4 per cent in Colombia and by 0.8 per cent in Peru.

Manufacturing output fell slightly in Africa (by 0.2 per cent), however, negative growth has only been observed in one country in the region while the rest of the region registered positive growth figures. Manufacturing output grew by 1.1 per cent in Egypt, by 0.4 per cent in Morocco, by 5.8 per cent in Senegal and by 0.8 per cent in Tunisia. A decline of 1.4 per cent was registered in South Africa where the economy—as an exporter—has been hit by the low commodity prices.

Among other developing countries, a strong growth of 12.4 per cent was registered by Viet Nam. Industrial production also grew by 5.3 per cent in Bosnia and Herzegovina in the fourth quarter of 2015 on a year-to-year basis.

(Source: World Manufacturing Production- Statistics for Quarter IV, 2015; United Nations Industrial Development Organisation - www.unido.org)

Key Findings on World Manufacturing Sector

On a year-to-year comparison, world manufacturing production grew in all manufacturing sectors in the fourth quarter 2015, with the exception of the manufacture of machinery and equipment and printing and publishing. The global decline in the production output of the manufacture of machinery is attributable to low energy prices. Higher growth rates have been observed in the manufacture of radio and television and of chemicals and chemical products. Growth was positive across all industries in developing and emerging industrial economies, except a slight decline in the manufacture of motor vehicles. Industrialized countries registered negative growth in eight manufacturing industries.

Among the consumer goods production industries, output of wearing apparel grew by 2.2 per cent in developing and emerging markets and by 0.6 per cent in the industrialized country group. The industry's output grew by 16.9 per cent in the Czech Republic, by 14.6 per cent in the United Kingdom, by 12.8 per cent in Egypt, and by 12.3 per cent in Mexico. However, the manufacturing output of the wearing apparel fell sharply in Brazil and Indonesia, by 12.9 per cent and 16.4 per cent, respectively. A significant decline was also observed in wearing apparel production in Canada and Estonia. The production of textiles grew by 4.1 per cent in developing countries while industrialized countries registered a decline of 0.5 per cent in this production. At country level, impressive growth in textiles production was recorded in Argentina, Estonia and Hungary whereas it dropped sharply in Brazil and Senegal. The production of food and beverages grew at a higher rate (5.2 per cent) in developing countries. As such, output grew by 7.8 per cent in China, by 7.3 per cent in Indonesia and by 5.2 per cent in Romania. Output declined by 10.3 per cent in Tunisia and by 7.0 per cent in Egypt. The food sector was the only manufacturing industry with a positive, albeit poor, growth in Brazil.

The notable growth rate of 10.4 per cent was observed in the manufacture of radio, television and communication equipment in developing and emerging countries, with China, Egypt and India being the leading manufacturers. In industrialized markets, the highest growth rate in this manufacturing sector was seen in France.

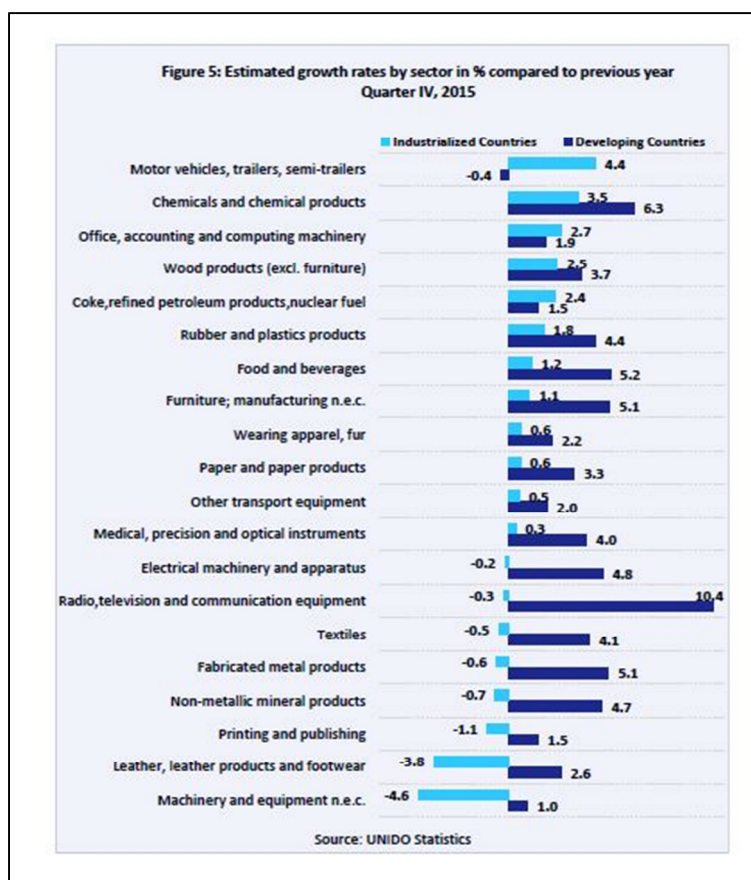
The production of motor vehicles fell marginally by 0.4 per cent in developing countries, attributed mainly to the decline in the industry in Latin American economies. The industry's output rose by 4.4 per cent in industrialized countries, with Italy, Spain and Sweden being the top producers worldwide in the fourth quarter of 2015. The manufacturing production of other transport equipment increased at a higher rate in developing countries.

The manufacture of chemicals and chemical products increased considerably in China, Senegal and Tunisia, as well as in Ireland, Netherlands and the Russian Federation. The chemical industry was one of the few industries in the Russian Federation recording a higher growth rate, with a 6.6 per cent increase compared to the previous year.

The production of basic metals, which includes the production of basic iron, basic steel, basic precious and non-ferrous metals, rose by 5.9 per cent in developing countries compared to the same period of the previous year, but dropped by 4.8 per cent in industrialized countries in comparison to the previous year. Manufacturing output grew in China, Indonesia and Macedonia, while it fell in all Latin American economies and in Africa.

In the United States, as the largest driver of growth in industrialized economies, the manufacture of electrical machinery and apparatus and motor vehicles remained strong in the fourth quarter of 2015. However, other industries showed either a decline or a decrease in production output. The combination of low energy prices and expensive currency contributed to the economic slowdown of the United States. Despite its slow economic growth, China's manufacturing output in most industries increased compared to the same period of the previous year. China recorded its highest growth rates in the manufacture of radio and television (10.1 per cent), chemicals and chemical products (9.8 per cent) and the manufacture of basic metals (8.9 per cent).

(Source: World Manufacturing Production- Statistics for Quarter IV, 2015; United Nations Industrial Development Organisation - www.unido.org)



(Source: World Manufacturing Production- Statistics for Quarter IV, 2015; United Nations Industrial Development Organisation - www.unido.org)

INDIAN MANUFACTURING SECTOR

Introduction

The Prime Minister of India, Mr Narendra Modi, has launched the 'Make in India' initiative to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. 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 could 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.

In November 2015, the seasonally adjusted Nikkei India Manufacturing Purchasing Managers' Index (PMI) stood at 50.3, which indicated expansion for twenty-fifth consecutive month. The services PMI was at 50.1 points in November 2015.

Investments

In a major boost to the 'Make in India' initiative, the Government of India has received investment proposals of over US\$ 3.05 billion till end of August 2015 from various companies.

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:

- 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.
- Swedish home furnishing brand Ikea has made a long-term plan of opening 25 stores in India by making an investment worth Rs 12,500 crore (US\$ 1.9 billion).
- Siemens has announced that it will invest € 1 billion (US\$ 1.13 billion) in India to add 4,000 jobs to its existing workforce of 16,000 in the country.
- US-based First Solar Inc and China's Trina Solar have plans to set up manufacturing facilities in India. Clean energy investments in India increased to US\$ 7.9 billion in 2014, helping the country maintain its position as the seventh largest clean energy investor in the world.
- Samsung Electronics has invested Rs 517 crore (US\$ 77.82 million) towards the expansion of its manufacturing plant in Noida, Uttar Pradesh (UP). "Samsung India Electronics is committed to strengthen its manufacturing infrastructure and will gradually expand capacity at this plant to meet the growing domestic demand for mobile handsets, as per the company.
- Shantha Biotechnics Private Limited has started building a facility to manufacture Insuman, an insulin product to treat diabetes. Sanofi SA, which acquired Shantha Biotechnics, will invest Rs 460 crore (US\$ 69.24 million) to build the facility.
- BMW and Mercedes-Benz have intensified their localisation efforts to be part of 'Make in India' initiative. "The localisation efforts will reduce the waiting period and accelerate the servicing process of our cars as we had to (previously) depend on our plants overseas for supply and will help us on the pricing front."
- Suzuki Motor Corp plans to make automobiles for Africa, the company's next big bet, as well as for India at its upcoming factory in Hansalpur, near Ahmedabad, Gujarat.
- Taiwan-based HTC has decided to manufacture products in India. HTC is believed to have partnered GDN Enterprises, which has an assembly set up in Noida.
- Foxconn is planning an aggressive expansion in India, building up to 12 new factories and employing as many as one million workers by 2020
- The State Government of Tamil Nadu has signed investment agreements worth Rs 2,42,160 crore (US\$ 36.45 billion) during a two-day Global Investors Meet in September 2015.

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 earlier this year. 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 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.
- The National Institution for Transforming India Aayog (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 missions 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 (UP) has secured investment deals valued at Rs 5,000 crore (US\$ 752.58 million) for setting up mobile manufacturing units in the state.
- The Government of Maharashtra has cleared land allotment for 130 industrial units across the state with an investment of Rs 6,266 crore (US\$ 943.13 million)
- Dr Jitendra Singh, Union Minister of State (Independent Charge) of the Ministry of Development of North Eastern Region (DoNER), MoS PMO, Personnel, Public Grievances & Pensions, Atomic Energy and Space, Government of India, has announced the 'Make in Northeast' initiative beginning with a comprehensive tourism plan for the region.
- 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\$ 752), Kishor - covering loans between Rs 50,000 (US\$ 752) to Rs 0.5 million (US\$ 7,520), and Tarun - covering loans between Rs 0.5 million (US\$ 7,520) and Rs 1 million (US\$ 15,052).

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\$ 28.42 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\$ 0.015 as on December 17, 2015

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

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

INDIAN TEXTILES INDUSTRY

Introduction

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The industry realised export earnings worth US\$ 41.4 billion in 2014-15, a growth of 5.4 per cent, as per The Cotton Textiles Export Promotion Council (Texprocil). The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

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

Market Size

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

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

Investments

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 1.77 billion during April 2000 to September 2015.

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

- Reliance Industries Ltd (RIL) plans to enter into a joint venture (JV) with China-based Shandong Ruyi Science and Technology Group Co. The JV will leverage RIL's existing textile business and distribution network in India and Ruyi's state-of-the-art technology and its global reach.
- Giving Indian sarees a 'green' touch, Dupont has joined hands with RIL and Vipul Sarees for use of its renewable fibre product Sorona to make an 'environment-friendly' version of this ethnic ladies wear.
- Grasim Industries has invested Rs 100 crore (US\$ 15 million) to develop its first fabric brand, 'Liva', which it will distribute through 1,000 outlets as part of a plan to stay in sync with changing consumer behaviour.
- Snapdeal has partnered with India Post to jointly work on bringing thousands of weavers and artisans from Varanasi through its website. "This is an endeavour by Snapdeal and India Post

to empower local artisans, small and medium entrepreneurs to sustain their livelihood by providing a platform to popularise their indigenous products,” said Murli Kunal Bahl, CEO and Co-Founder, Snapdeal.

- Welspun India Ltd (WIL), part of the Welspun Group has unveiled its new spinning facility at Anjar, Gujarat - the largest under one roof in India. The expansion project reflects the ethos of the Government of Gujarat’s recent ‘Farm-Factory-Fabric-Fashion-Foreign’ Textile Policy, which is aimed at strengthening the entire textile value-chain.
- American casual fashion retailer Aéropostale, Inc. has inked a licensing agreement with Arvind Lifestyle Brands Ltd to open standalone stores in the country. Aéropostale will open 30 stores and 25 shop-in-shop locations over the next three years.

Government Initiatives

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

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

- The Government of India has started promotion of its ‘India Handloom’ initiative on social media like Facebook, Twitter and Instagram with a view to connect with customers, especially youth, in order to promote high quality handloom products.
- The Ministry of Textiles launched Technology Mission on Technical Textiles (TMTT) with two mini-missions for a period of five years (from 2010-11 to 2011-12 in the 11th five year plan and 2012-13 to 2014-15 in 12th five year plan) with a total fund outlay of Rs 200 crore (US\$ 30 million). The objective of TMTT is to promote technical textiles by helping to develop world class testing facilities at eight Centres of Excellence across India, promoting indigenous development of prototypes, providing support for domestic and export market development and encouraging contract research.
- The Government of India is expected to soon announce a new National Textiles Policy. The new policy aims at creating 35 million new jobs by way of increased investments by foreign companies, as per Textiles Secretary Mr S K Panda.
- Subsidies on machinery and infrastructure
 - The Revised Restructured Technology Up gradation Fund Scheme (RRTUFS) covers manufacturing of major machinery for technical textiles for 5 per cent interest reimbursement and 10 per cent capital subsidy in addition to 5 per cent interest reimbursement also provided to the specified technical textile machinery under RRTUFS.
 - Under the Scheme for Integrated Textile Parks (SITP), the Government of India provides assistance for creation of infrastructure in the parks to the extent of 40 per cent with a limit up to Rs 40 crore (US\$ 6 million). Under this scheme the technical textile units can also avail its benefits.
 - The major machinery for production of technical textiles receives a concessional customs duty list of 5 per cent.
 - Specified technical textile products are covered under Focus Product Scheme. Under this scheme, exports of these products are entitled for duty credit scrip equivalent to 2 per cent of freight on board (FOB) value of exports
- The Government of India has implemented several export promotion measures such as Focus Market Scheme, Focus Product Scheme and Market Linked Focus Product Scheme for increasing share of India’s textile exports.
- Under the Market Access Initiative (MAI) Scheme, financial assistance is provided for export promotion activities on focus countries and focus product countries.
- Under the Market Development Assistance (MDA) Scheme, financial assistance is provided for a range of export promotion activities implemented by Textiles Export Promotion Councils.

- The government has also proposed to extend 24/7 customs clearance facility at 13 airports and 14 sea ports resulting in faster clearance of import and export cargo.
- The Ministry of Textiles has approved a 'Scheme for promoting usage of geotechnical textiles in North East Region (NER)' in order to capitalise on the benefits of geotechnical textiles. The scheme has been approved with a financial outlay of Rs 427 crore (US\$ 64.1 million) for five years from 2014-15.
- A Memorandum of Understanding (MoU) has been signed between India and Kyrgyzstan seeking to strengthen bilateral cooperation in three fields -Textiles and Clothing, Silk and Sericulture, Fashion

Road Ahead

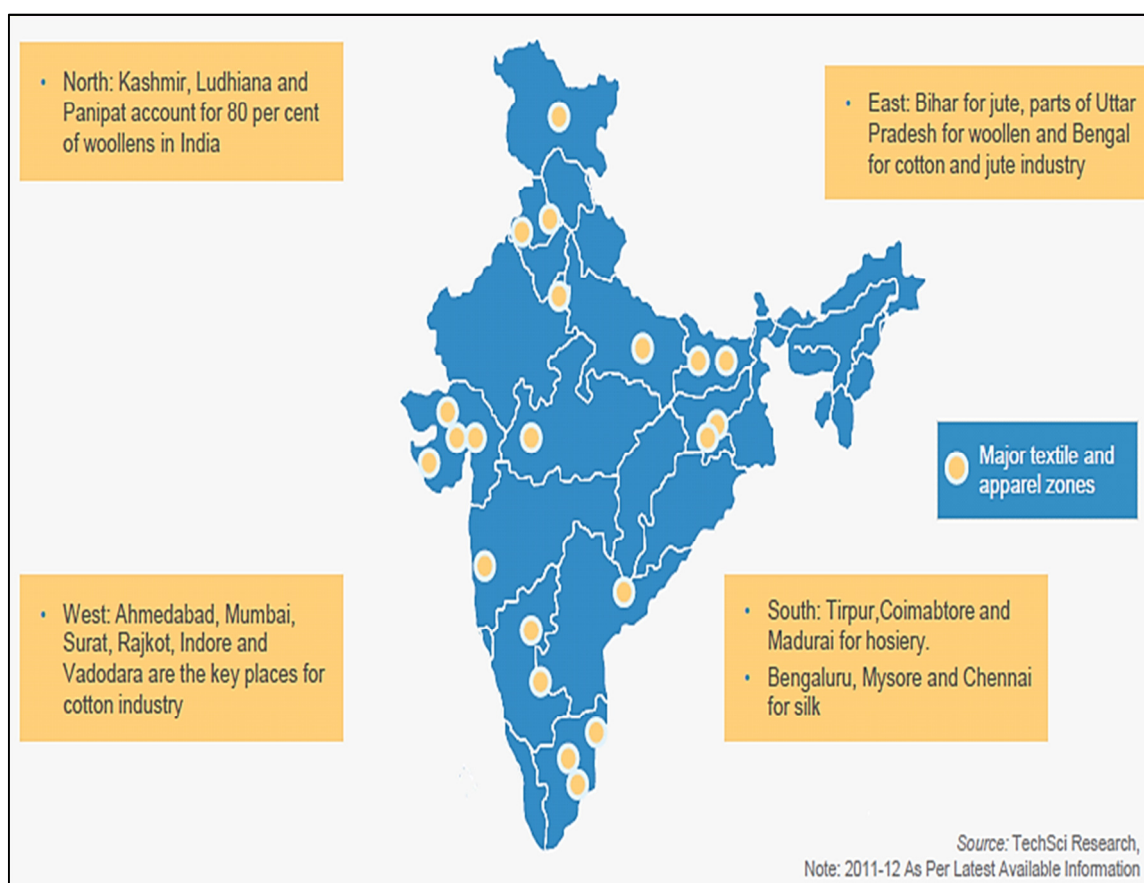
The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like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

Exchange Rate Used: INR 1 = US\$ 0.015 as on December 17, 2015

References: Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau

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

KEY TEXTILES AND APPAREL ZONES IN INDIA



(Source: Textile and Apparel Report January 2016 - India Brand Equity Foundation www.ibef.org)

STRUCTURE OF INDIA'S TEXTILES INDUSTRY

The Indian textile industry mostly comprises small-scale, non-integrated spinning, weaving and knitting, fabric finishing, and apparel-making enterprises. Other textile-producing countries mainly have large scale mills with modern technology and machinery, that integrate spinning, weaving and, sometimes, fabric finishing. This unique industry structure in India is primarily a result of government policies on tax, labour and other regulations that have promoted labour-intensive, small-scale operations often discriminating against larger scale firms.

Composite Mills: Relatively large-scale mills that integrate spinning, weaving and, sometimes, fabric finishing now account for about only 3 percent of output in the textile sector in India. About 276 composite mills are now operating in India, most owned by the public sector and many deemed financially “sick.”

Spinning: Spinning is the process of converting cotton or manmade fibre into yarn to be used for weaving and knitting. Largely due to deregulation that began in the mid-1980s, spinning is to date considered the most consolidated and technically efficient segment of the industry. However average plant sizes remain small and technology is out-dated, relative to other major producers.

Weaving and Knitting: Weaving and knitting converts cotton, manmade, or blended yarns into woven or knitted fabrics. This segment is highly unorganised with mostly small-scale and labour-intensive enterprises. The organised sector contributes only 5% of the total production. The segment has about 3.9 million hand looms and 1.8 million power-looms in India.

Fabric Finishing: Fabric finishing also called processing includes dyeing, printing, and other cloth preparation prior to the manufacture of apparels. This segment is dominated by a large number of independent, small scale enterprises. Overall, about 2,300 processors are operating in India, including about 2,100 independent units and 200 units that are integrated with spinning, weaving, or knitting units.

Apparels: Apparels are produced by about 77,000 small-scale units classified as domestic manufacturers, manufacturer exporters, and fabricators (subcontractors). According to a report by Wazir Advisors, the size of the Indian apparel market in 2012 was \$ 45 billion. The report estimates India and China to be the fastest growing markets, growing in double digits and becoming the biggest consumer market with a mammoth share of 27% in the world's apparel market.

(Source: *The Textile & Apparels Industry – Contributing to “Make in India”* October, 2015 - *The Associated Chambers of Commerce and Industry of India* – www.assocham.org)

TEXTILES SEGMENTS BY UTILITY

The textiles and apparels industry is broadly classified into the following segments:

Cotton and Cotton textiles

The Indian textile industry which has a diverse range of fibres and yarn is predominantly cotton based. Hence, growth and all around development of cotton and cotton industry has a vital bearing on the development of the sector and the economy as a whole. According to the Ministry of Textiles, 9 the consumption of cotton is more than 400 lakh bales (of 170 kg each) per year. The Cotton Corporation of India reports that the total production in 2013-14 rose to 375 lakh bales from 365 lakh bales in 2012-13.

Jute and Jute Textiles

Jute, the golden fibre, is considered to be a natural, renewable, biodegradable and eco-friendly product. According to the Ministry of Textiles, the jute industry provides direct employment to about 0.37 million workers in organised mills and in diversified units including the tertiary sector and supports the livelihoods of around 4 million farm families. There are 89 composite jute mills in India and about 49,500 looms installed in the jute industry including Hessian looms, sacking looms, C.B.C

looms and others. The maximum installed capacity in jute mills is estimated to be more than 2.64 million tonnes per annum.

Silk and Silk Textiles

India is the second largest producer of silk in the world. According to the Central Silk Board, 10 26,480 MT of raw silk was produced in India in 2013-14, 74% of which (or 19,476 MT) was mulberry raw silk. The remaining 26% was wild silk (vanyasilk). Mulberry sericulture is mainly practiced in five states namely, Karnataka, Andhra Pradesh, West Bengal, Tamil Nadu and Jammu & Kashmir which jointly account for about 96% of the total mulberry silk production in the country. As the consumption of raw silk (around 29,740 MT) exceeds production, the additional requirement (particularly bivoltine mulberry silk of international quality) is imported mainly from China.

Wool and Woollen Textiles

The woollen industry is small and widely scattered. It is basically located in the states of Punjab, Haryana, Rajasthan, U.P., Maharashtra and Gujarat. 40% of the woollen units are located in Punjab, 27% in Haryana, 10% in Rajasthan, while the rest of the states account for the remaining 23%.

Hand crafted Textiles

The tradition of weaving by hand is one of the richest and most vibrant aspects of Indian cultural heritage. The level of artistry and intricacy achieved in handloom fabrics is unparalleled and beyond the scope of modern machines. The strength of the sector lies in its uniqueness, flexibility of production, openness to innovations, adaptability to the suppliers' requirements and the wealth of its tradition. Indian handlooms have been famous throughout the world for centuries and have been exported across the world.

Technical textiles

Technical textiles are defined as textile material and products manufactured primarily for their technical performance and functional properties rather than aesthetic and decorative characteristics. It has applications across various industries including automobiles, civil engineering and construction, agriculture, healthcare, industrial safety, personal protection etc. The technical textiles segment is a high technology segment which is steadily gaining importance in India. Some of the properties of technical textiles that may be attributed to its increasing popularity are cost effectiveness, durability, lightweight, high strength and user and eco friendliness. Based on usage, there are 12 technical textile segments, viz., Agrotech, Buildtech, Clothtech, Geotech, Hometech, Meditech, Mobiltech, Oekotech, Protech, Packtech, Indutech, Sporttech.

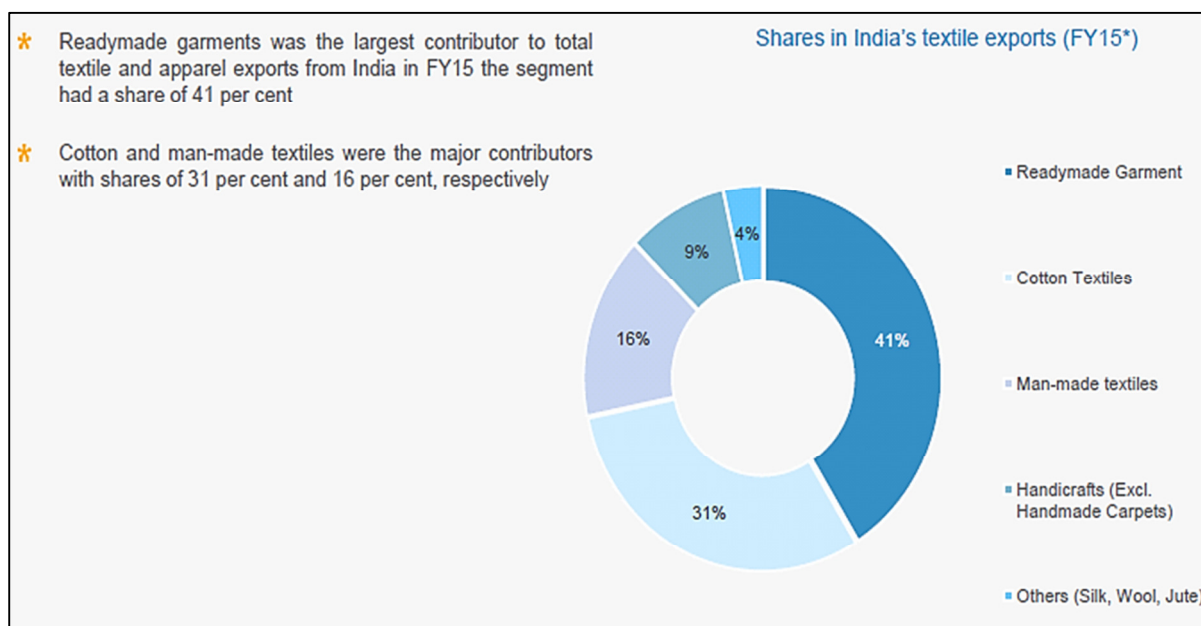
In India the sector registered a compounded annual growth rate of 11% during 11th Five Year Plan. According to the Planning Commission's Working Subgroup on Technical Textiles, its market size is estimated to grow at a CAGR of 20% to reach ` 1,58,540 crores by 2016-17 from ` 70,151 crores in 2012-13. The market for 2014-15 is projected to be ` 1,09,659 crores.

Readymade Garments

Readymade garments (RMG) manufacturing being the least capital intensive segment of the textile value chain is characterised by low entry barriers and is hence highly fragmented. It is also labour-intensive and requires skilled, unskilled and semi-skilled manpower. A study by CARE Research¹² says the domestic apparel industry in India grew at a CAGR of 9% from ` 1,360 billion in FY08 to ` 2,115 billion in FY13 and is expected to continue this growth trend to FY16. In 2012, apparels had a 69% share of the overall market; textiles contributed the remaining 31%. At the inauguration of the 55th India International Garment Fair, 2015 the Textiles Minister, supporting the apparel industry said that it plays a significant role in realising the 'Make in India' vision, given its employment and export intensity.

(Source: *The Textile & Apparels Industry – Contributing to “Make in India”* October, 2015 - *The Associated Chambers of Commerce and Industry of India* – www.assochem.org)

READYMADE GARMENT AND COTTON TEXTILES DOMINATE EXPORTS



(Source: Textile and Apparel Report January 2016 - India Brand Equity Foundation www.ibef.org)

OPPORTUNITIES IN TEXTILE INDUSTRY

Immense growth potential

The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. The sector is expected to be reached to USD226 billion by FY2023. Population is expected to reach to 1.34 billion by FY2019. Urbanisation is expected to support higher growth due to change in fashion and trends

Private sector participation in silk Production

The Central Silk Board sets targets for raw silk production and encourages farmers and private players to grow silk. To achieve these targets, alliances with the private sector, especially major agro-based industries in pre-cocoon and post-cocoon segments has been encouraged

Proposed FDI in multi-brand retail

For the textile industry, the proposed hike in FDI limit in multi-brand retail will bring in more players, thereby providing more options to consumers. It will also bring in greater investments along the entire value chain – from agricultural production to final manufactured goods. With global retail brands assured of a domestic foothold, outsourcing will also rise significantly

Retail sector offers growth Potential

With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with several international players like Marks & Spencer, Guess and Next having entered Indian market. The organised apparel segment is expected to grow at a Compound Annual Growth Rate (CAGR) of more than 13 per cent over a 10-year period.

Centers of Excellence (CoE) for research and technical training

The CoEs are aimed at creating testing and evaluation facilities as well as developing resource centres and training facilities. Existing four CoEs, BTRA for Geotech, SITRA for Meditech, NITRA for Protech and SASMIRA for Agrotech, would be upgraded in terms of development of incubation centre and support for development of prototypes. Fund support would be provided for appointing experts to develop these facilities

Foreign investments

The government is taking initiatives to attract foreign investments in the textile sector through promotional visits to countries such as Japan, Germany, Italy and France. According to the new Draft of the National Textile Policy, the government is planning to attract foreign investments thereby creating employment opportunities to 35 million people

(Source: Textile and Apparel Report January 2016 - India Brand Equity Foundation www.ibef.org)

POLICY SUPPORT HAS BEEN A KEY INGREDIENT TO GROWTH

Technology Up gradation Fund Scheme (TUFS)

- Investment was made to promote modernisation and up-gradation of the textile industry by providing credit at reduced rates.
- USD0.39 billion has been allocated for TUFS scheme for FY15

National Textile Policy – 2000

- The policy was introduced for the overall development of textile industry.
- Key areas of focus include technological upgrades, enhancement of productivity, product diversification and financing arrangements. New draft for this policy ensures to employ 35 million by attracting foreign investments. It also focuses on establishing a modern apparel garment manufacturing centre in every.
- North Eastern state for which Government has invested an amount of USD3.27 million.

Foreign Direct Investment

- FDI of up to 100 per cent is allowed in the textile sector through the automatic route.

Scheme for Integrated Textiles Parks (SITP)

- SITP was set up in 2005 to provide necessary infrastructure to new textile units; under SITP, 40 projects (worth USD678 million) have been sanctioned.
- Out of these 40 projects, 27 have started production. 16 projects has been completed and as on November 2014, Government has invested a total of USD21.96 million for 21 new textile parks and the remaining 13 textile parks has been given the in-principle approval under SITP

Technical textile industry

- Government of India has planned an increase in the fund outlay for technical textiles industry to more than USD117 million during the current 12th Five Year Plan (2012-17)

(Source: Textile and Apparel Report January 2016 - India Brand Equity Foundation www.ibef.org)

ADVANTAGE INDIA

Robust demand

- Increased penetration of organised retail, favourable demographics, and rising income levels to drive textile demand.
- Growth in building and construction will continue to drive demand for non clothing textiles.

Increasing investments

- Huge investments are being made by Government under Scheme for Integrated Textile Parks (SITP)-(USD184.98 Million) and Technology Up gradation Fund Scheme (TUFS)-(term loan sanctioned in Feb, 2015-USD2198.45 Million) to encourage more private equity and to train workforce.

Competitive Advantage

- Abundant availability of raw materials such as cotton, wool, silk and jute.
- India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to major textile producers.

Policy support

- 100 per cent FDI (automatic route) is allowed in the Indian textile sector.
- Under Union Budget 2015-16, government has allocated USD39.81million for integrated parks in India.
- Free trade with ASEAN countries and proposed agreement with European Union will boost exports.

Market Value: USD 108.5 Billion 2015E




Market Value: USD 226 Billion 2023F

(Source: Textile and Apparel Report January 2016 - India Brand Equity Foundation www.ibef.org)

GROWTH IN CLOTHING AND LIFESTYLE E-COMMERCE

The proliferation of digital internet technology in India coupled with wide scale ownership of devices such as smart phones, laptops and tablets that support internet usage, have resulted in an unprecedented growth of Electronic Commerce (e-commerce). As incomes are rising and lifestyles are changing, people have little time to spare. E-commerce has leveraged this opportunity and is providing consumers with what they want, with just a few simple clicks, making their shopping experience easier, faster and convenient.

The 5 major Indian clothing and lifestyle e-commerce players along with their earned revenues (in \$Mn) in 2011 are presented in the table below.

Company	Year of Establishment	Reach (in Mn)	Penetration (cities)	Associated Brands	Revenues (in \$ Mn)
 Yebhi.com	2004	1.2	1,100	150	20
 Myatra.com	2007	3.0	1,200	350	100
 FASHION to YOU	2010	3.6	1,200	500	11
 YEP ME COM	2011	0.5	500	-	30
 JABONG COM	2012	1.5	500	500	150

Source: Author's representation, Indian Apparel Market: Current Status and Future Outlook, Wazir Advisors, 2012

Buoyed by the success of e-commerce, Indian textile companies like Arvind Ltd., TT Ltd. and Creative Lifestyles, etc. are exploring the online market through their own e-commerce platforms (eg: Arvind Internet Ltd.). Textiles companies are increasingly looking to build up consumer loyalty by selling their products on their websites and establishing a direct connect with their consumers.

Currently, as stated in a Wazir Advisors study,²⁹ the worldwide share of online apparel retail is 18% compared to 4 % in India. However, with the online retail market expected to grow at 37%, there lies huge potential for substantial growth in the coming years. The Government too is supporting e-commerce platforms. It has signed a Memorandum of Understanding with Flipkart for online sale of handloom products. Primary Weavers' Cooperative Societies are also being pursued by the Ministry of Textiles for production of quality fabrics with new designs which can be sourced through e-marketing.

(Source: The Textile & Apparels Industry – Contributing to “Make in India” October, 2015 - The Associated Chambers of Commerce and Industry of India – www.assochem.org)

GROWTH DRIVERS

Factors contributing to growth of the industry and analysed in this study are:

- Rising disposable incomes and evolving lifestyles of India's prospering urban consumer, are broadening their clothing needs. Today, Indians are more inclined to buy apparels for a specific purpose, than consumers in other markets. Family celebrations and weddings in India continue to eat up an enormous share of Indian consumers' clothing budgets.
- Rising urbanisation leads to increase in demand for new designs and fashions to match new lifestyles. The growing participation of women in the workforce is also contributing a great deal to this demand.
- Backed by the enormous capacity to absorb labour, skilled human capital to meet the growing demand is one of the important factors that will drive growth of this industry.
- India may be a major player in traditional textiles, but technical textiles as a segment is growing due to rising demand for specialised fabrics from various sectors of the economy.
- India's cotton and apparel exports are set to climb by around 10% in 2015 as higher wages, political instability and concerns about workplace conditions in other producing markets are likely to push international buyers towards Indian exporters. India has overtaken Germany and Italy to emerge as the world's second largest textile exporter but lags behind China, whose exports are nearly seven times higher.
- The proliferation of digital internet technology in India coupled with wide scale ownership of devices such as smart phones, laptops and tablets that support internet usage, have resulted in an unprecedented growth of e-commerce. As incomes rise and lifestyles change, people have little time to spare. E-commerce has provided consumers with a wide range of apparels, with just a few simple clicks, making their shopping experience easier, faster and more convenient.
- The textile industry, being one of the most significant sectors in the Indian economy, has been a key focus area for the Government of India. A number of initiatives have been taken by the Government to make the industry more competitive.

(Source: *The Textile & Apparels Industry – Contributing to “Make in India”* October, 2015 - *The Associated Chambers of Commerce and Industry of India* – www.assochem.org)

CHALLENGES FACED BY THE INDIAN TEXTILE INDUSTRY

The Indian textiles and apparels industry plays a crucial role in contributing to employment generation, industrial output and export earnings. However, in its race towards becoming the second largest producer of textiles and apparels in the world, it has faced several challenges and continues to battle them to not only retain its position in the global map but also to improve it.

Some of the major challenges faced by the industry in India that could potentially come in the way of its contribution to the Government's 'Make in India' programme, including:

- Paucity of domestic producers of shuttle-less looms and spindles greatly affects the industry with the waiting time per order being as much as 2 to 3 years. Obsolete machinery leads to low efficiency and poor quality products. Lack of investment and research in the area of textile machinery, is forcing imports to compete with other textile producing countries.
- Stiff competition from mechanised mills, changing consumer preferences and the pursuit of less demanding means of livelihood have threatened the vibrancy of the handloom industry. Traditional hand woven products are in danger of becoming obsolete and weaving skills face threat of dilution. The lack of credit facilities extended to the handloom sector adds to its woes.
- Textile mills face acute power shortage. Frequent electricity cuts and load shedding lead to loss of man hours and low production in the mills. Textile SMEs are severely affected by power shortage and are forced to use manual machines, which produce lower quality products and are more costly to maintain.
- Manufacturers of original products, face enormous losses due to counterfeit products which are often sold at prices, usually 40% to 45% lower than original value. Anti-counterfeiting measures in India are not effectively implemented, further aggravating the problem.

- Labour related issues such as threat to safety and health of workers, poor working environment, and exploitation of children, strict labour laws and skills gap pose a major challenge to the industry.
- India has differential tax treatments for cotton and man-made fibres, thus creating needless distortions within the industry. While excise duty on natural fibres like cotton, wool and flax is nil, manmade fibre, filament and yarn attract duty as high as 12.5%.
- The Indian textiles industry faces acute shortage of raw materials in the form of cotton and raw silk. Fluctuating prices and uncertainties in the availability of raw materials leads to low production and sickness of mills.
- The manufacturing activities of the textiles and apparels industry greatly impact the environment in the form of air and water emissions. Alternative process solutions that are eco-friendly and cost effective are therefore necessary, to meet increasing demands of the ever-growing and competitive market, in a sustainable manner.

(Source: *The Textile & Apparels Industry Report October, 2015* - *The Associated Chambers of Commerce and Industry of India* – www.assochem.org)

OUR BUSINESS

OVERVIEW

Our Company Nandani Creation Limited, incorporated in the year 2012, is engaged in manufacturing and marketing of women apparels like kurtis, sarees, ethnic tops, palazzo, patiala salwar suits, dupattas, quilted jackets, dress material, etc. We are popularly known and identified in apparel market by our brand name “Jaipurkurti.com”. Our brand is best known for its ethnic wear, kurtis with traditional designs having wide range of colour, patterns and sizes. We distribute our products by following e-retail model and have developed a sustainable business model over the period.

Founded by Anuj Mundra and Vandna Mundra, our promoters have adequate experience in the line of business and looks after strategic as well as day to day business operations. Our company started its commercial production in the F.Y. 2012-13 with an Annual Turnover of Rs. 59.20 Lakhs; thereby growing manifold in past four years and recently recorded an Annual Turnover of Rs. 1418.64 lakhs for the F.Y. 2015-16. Brand development and customer loyalty are one of the key factors of success in our industry. Our brand has been well received upto now and we shall, continue to endeavour to build brand equity by supplying qualitative products at competitive prices. Our Company is also registered as SSI – Micro Unit with DIC, Jaipur.

Our registered office and manufacturing unit is situated at F-95, Kartarpura Industrial Area, Near 22 Godam, Jaipur – 302006. We have our design studio and production house with a team of professionals in the department. Our registered office and manufacturing unit is spread over 790 square yards, with all necessary facilities. Recently we have invested in Desi Fusion Private Limited and made it a subsidiary of our Company. Our subsidiary company is engaged in the business of dyeing and printing of grey fabric. We procure the finished goods of subsidiary Company as our raw materials and further process into apparel as per on-going trends suggested by designer team. This gives us advantage of an integrated manufacturing process.

The products such as kurtis and kurtas are processed at our current manufacturing unit. Due to the diversified product range, we follow the asset-light model and job work the remaining products to the third-party manufacturers. For facilitating ease in distribution, we also have branch offices located at Hyderabad and Gurgaon.

For e-retailing our products, we have developed our own website www.jaipurkurti.com and also have tie-ups with major e-commerce players. E-retailing has enabled us to reach wide number of consumers at reduced costs, enhanced our brand visibility and made us a known name in the market. With the passion of our promoters, dedication of our team, development of our brand, customer loyalty, growing trend in e-commerce and continued government support we aim to expand our operations on PAN India basis and become a popular brand among the masses.

OUR PRODUCTS

Kurtis: A kurti is a loose shirt falling either just above or somewhere below the knees of the wearer. They are traditionally worn with loose-fitting salwars, semi-tight (loose from the waist to the knees, and tight from the calves to the ankles) churidars, and now also worn with jeans. Kurtis are worn both as casual everyday wear and as formal dress.

Palazzo: It is wide form of trousers worn by women. It is generally paired with Kurtis and comes in different type of materials

Sarees: A saree is a garment that consists of a drape varying from five to nine yards (4.5 metres to 8 metres) in length and two to four feet in breadth that is typically wrapped around the waist, with one end draped over the shoulder, baring the midriff.

Patiala Salwar Suits: A Patiala salwaris a type of female trousers which has its roots in Patiala City in the Northern region of Punjab state. The reason the patiala dress is preferred by most of the women is for its comfort and durability. Since the patiala salwar is very loose and stitched with pleats it is a very comfortable outfit to wear.

Dupattas: A dupatta is a long, multi-purpose scarf that is essential to many women's suits and matches the woman's garments. The dupatta is most commonly used with salwar kameez and the kurti. The dupatta has long been a symbol of modesty for dresses.

Quilted Jackets: A quilted jacket is a shirt with a third padding layer or interlining between the fabric, which provides the popular, three-dimensional look. The term 'quilt' derives from the Latin word cucita, which means cushion or bolster.

Dress Material: We also supply unstitched/ semi stitched dress material which can be then stitched as per the requirements of the user. These dress materials come in a wide range of colors , materials and pattern.


We also deal in tops, kurtas and other form of traditional/ethnic women apparels.

OUR PRODUCT RANGES

	<p>Kurtis:</p> <ul style="list-style-type: none"> ➤ Round Neck ➤ V-Neck ➤ Sweetheart Neck ➤ Collar Neck ➤ Round with Notch Neck ➤ Boat Neck ➤ ½ Neck ➤ ¾ Neck ➤ Sleeveless ➤ Full Sleeves ➤ Hip Length ➤ Knee Length ➤ Ankle Length
	<p>Palazzo:</p> <ul style="list-style-type: none"> ➤ Crepe Fabric Material ➤ Rayon Fabric Material ➤ Cotton Fabric Material ➤ Pant Style ➤ Bell Bottom Style ➤ Skirt Style
	<p>Sarees:</p> <ul style="list-style-type: none"> ➤ Bandhani Hand Dyed Saree ➤ Block Printed Saree ➤ Screen Printed Saree ➤ Lehariya Saree ➤ Mothda Saree ➤ Tie Dye Saree ➤ Shibori Saree

	<p>Kurta Palazzo Set:</p> <ul style="list-style-type: none"> ➤ Round Neck ➤ V-Neck ➤ Sweetheart Neck ➤ Collar Neck ➤ Round with Notch Neck ➤ Boat Neck ➤ ½ Neck ➤ ¾ Neck ➤ Sleeveless ➤ Full Sleeves
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	<p>Ethnic Top:</p> <ul style="list-style-type: none"> ➤ Round Neck ➤ Boat Neck ➤ Sleeveless ➤ ½ Sleeves ➤ ¾ Sleeves
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	<p>Kurta:</p> <ul style="list-style-type: none"> ➤ Round Neck ➤ V-Neck ➤ Sweetheart Neck ➤ Collar Neck ➤ Round with Notch Neck ➤ Boat Neck ➤ ½ Neck ➤ ¾ Neck ➤ Sleeveless ➤ Full Sleeves
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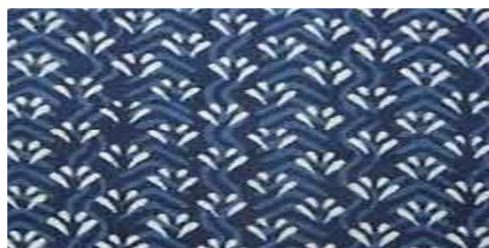
	<p>Quilted Jackets:</p> <ul style="list-style-type: none"> ➤ With Collar ➤ Reversible Jacket ➤ Sleeveless ➤ Full Sleeves
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	<p>Patiala Dupatta Suit Set:</p> <ul style="list-style-type: none"> ➤ Round Neck ➤ V-Neck ➤ Sweetheart Neck ➤ Collar Neck ➤ Round with Notch Neck ➤ Boat Neck ➤ ½ Neck ➤ ¾ Neck ➤ Sleeveless ➤ Full Sleeves <p>We also provide patiala salwar dupattas set.</p>
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	<p>Dress Material:</p> <ul style="list-style-type: none"> ➤ Block Printed ➤ Screen Printed ➤ Embroidery ➤ Patch Work
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RAW MATERIALS

Our Company procures raw materials such as running printed fabric and/or running dye fabric from our subsidiary company Desi Fusion India Private Limited or third parties. At times, we also supply the primary raw material grey cloth and get the running fabric manufactured on jobwork basis. The raw material is procured depending on the design of the products.



(Running Printed Fabric)



(Running Dye Fabric)

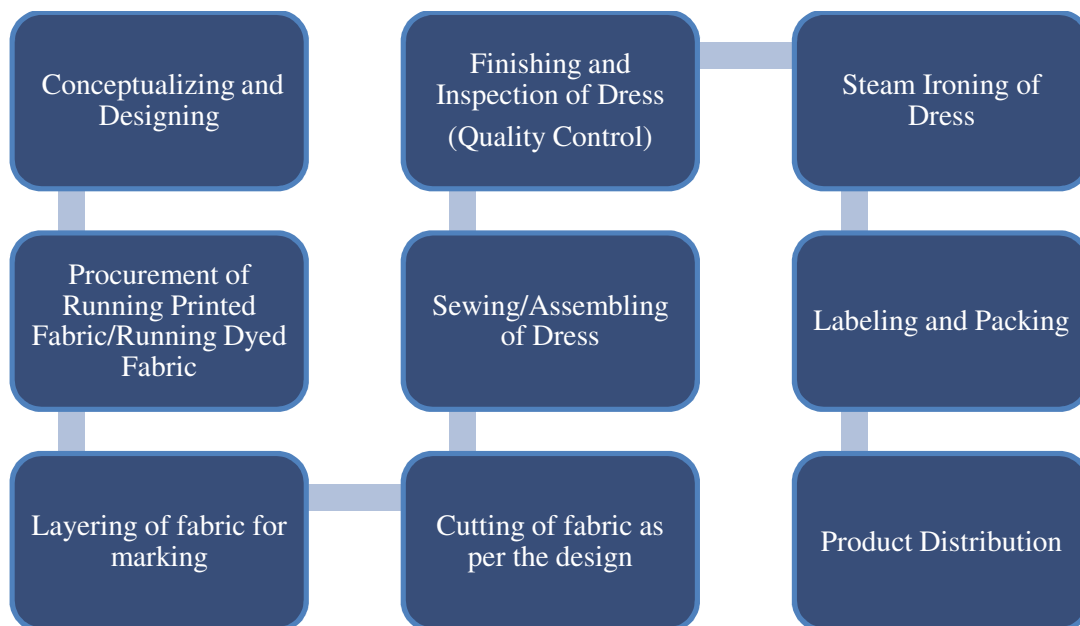
(Please note that Images are for only graphical representation)

OUR PRODUCTION PROCESS

We either manufacture in our own capacity or get our products manufactured from third parties. In case of manufacturing from third parties, the entire process upto production of material is outsourced. We provide the parties with the designs and such parties take approval of samples from us before manufacturing a lot. After approval of sample, they manufacture and supply us in accordance with the request raised by us.

At present we generally manufacture kurtis, dress material, etc. at our manufacturing facility. Other items such as Palazzos, Sarees, Jackets, etc. are manufactured by third parties on our behalf.

Our production process is briefed as per the details mentioned below:



Conceptualizing and Designing:

Our Company has its own design studio and the team comprises of young, energetic and creative professionals who ensures that our products are in compliance with industry standards and the latest trend. We specialize in and design ethnic apparel as we believe that culture and tradition is mirror of a country.

Procurement of Running Printed Fabric and/or Running Dyed Fabric:

The raw material required for manufacturing of our products is running printed fabric and/or running dye fabric, depending upon design of the product. We procure raw material either directly from supplier or get it done on job work basis. Our major raw material requirement is met through supplies from our own subsidiary. In line with the manufacturing process laid down by us, initially a product sample is produced according to the specifications provided by our Company. This sample is then approved before going into further stage of production. All apparent and intricate corrections are made in the product sample so as to make it free from errors.

Layering of fabric for marking:

The initial process starts by layering the fabric and placing the design to be marked over piece from the garment fabric. The tailor prepares a size and design on a standard paper to avoid the errors occurred while cutting the fabric. Once the standard paper is ready the same is placed over the layered fabric to mark the design with marking pens and even chalks such that tailors much rely on this marking to do the job.

Cutting of fabric as per the design:

It is then cut into the pattern that will identify points in a garment. A Fabric Cutting Machine is used to cut materials. This machine helps in neat cutting with low, noise and high efficiency. It provides maximum productivity with minimal fatigue.

Sewing/Assembling of Dress:

The fabrics are now ready to be stitched. The sewn parts of the fabric, such as sleeves, etc. are assembled together to give the final form to the clothing.

Finishing and Inspection of Dress (Quality Control):

Company attaches utmost importance to the quality of our final product. Hence it is ensured that each garment is individually checked and ensured that it is free from any defects. It is ensured that every piece which is manufactured is as per the required quality standards. Our quality assurance and control team is responsible for ensuring that all finished goods are free from defects and are manufactured as per the specified measurements. Any product having variation beyond acceptable limits is rejected. Finishing of products involves removal of loose and unwanted threads, proper and customized ironing. The quality assurance and control team carries out frequent checks on the process and product specifications. The finished products are stacked in cartons and are sent to the stockroom facility for labeling, packaging and insert cards.

Steam Ironing of Dress:

After inspection the garments are checked for loose threads, stains etc. Thereafter these garments are sent for ironing.

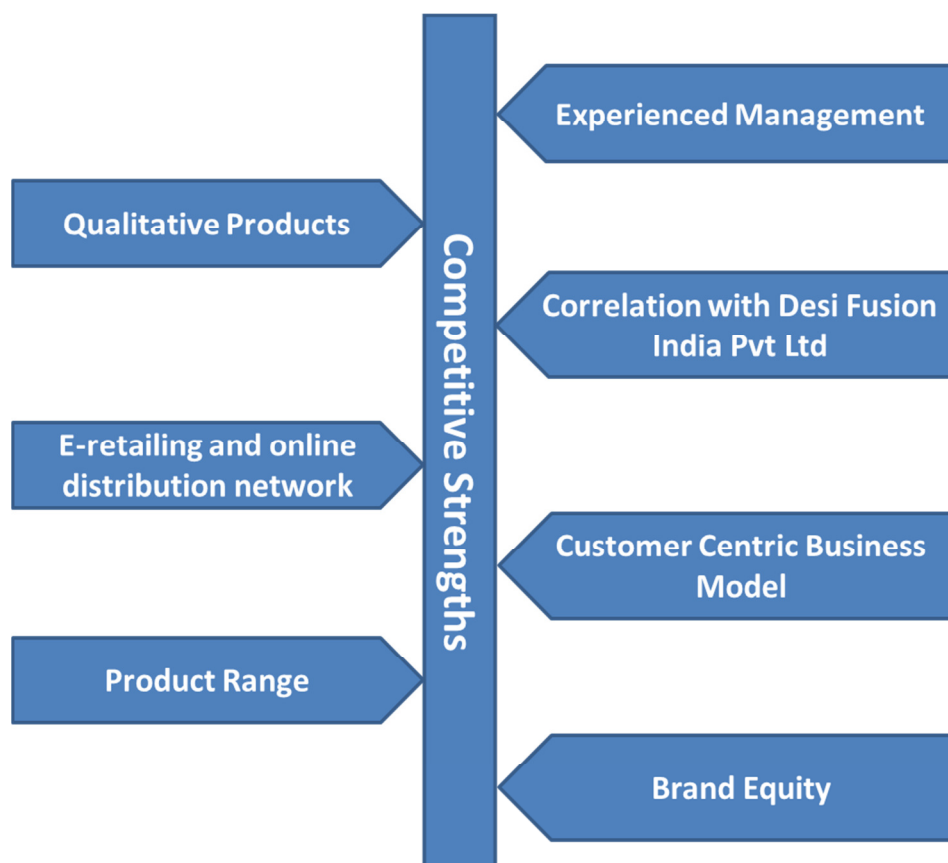
Labeling and Packing:

Labeling is done according to the brands to each of our products and as per the specifications provided by the merchandising team in our stockroom. Our Company differentiates the packaging of its products by inserting a bar code depicting the look of the products, price and the necessary details of the product. Care is taken to make the decent packaging and it also protects the products from damage. The finished products are now ready for dispatch and distribution.

Product Distribution:

The finished products after labeling are packed into cartons for further distribution to the customers and e-commerce platforms. The work is given to our dispatch team, to ensure that products flow directly to the customers in a timely and cost efficient manner. The responsibility of the dispatch team includes inventory management and supply chain management. We use third party carrier services to deliver our products to customers.

OUR COMPETITIVE STRENGTHS



1) Our Experienced Management

We have an experienced management team with our promoter Anuj Mundra having more than a decade experience in textile industry. It is through the constant efforts and experience of our management team that we have been able to build a sustainable business model. We also have employed people in different areas of work who have required technical competence and qualifications. We strongly believe that the success of our organization lies in the efforts of our human resources.

2) Qualitative Products

Our Company believes that quality of apparel decides its future. The growth of our organization is directly proportional to the quality of our supplies. Our Company attempts to supply qualitative products at competitive prices. We are specific about the quality of products manufactured by us and take adequate measures to maintain good quality levels. Further we also conduct test checks for products manufactured by third party manufacturers on our behalf.

3) Correlation with Desi Fusion India Pvt Ltd

We have an integrated business process for manufacturing our main product i.e. running printed/dyed fabric for kurtis, dresses, etc. as our wholly owned subsidiary supplies around 66% of running printed/dyed fabric requirement. Further we also have a locational advantage to procure such material from our subsidiary as it is located in our adjoining premises. Such co-relation results in reduced costs due to lower overheads, elimination of transport costs, etc. Other benefits include that the quality of the products is ensured, timely delivery of raw materials and better inventory management. It also reduces our dependence on third party suppliers.

4) E-retailing and online distribution network

At present, our distribution model is based on e-retailing. Such distribution model help us achieve many competitive advantages such as wider reach to consumers, reduced overheads with lower logistics costs, elimination of dealer margins, increased brand recognition, etc. Further increase in e-commerce activities and growing internet penetration in country shall enhance our business prospects.

5) Customer Centric Business Model

Our Company focuses on attaining highest level of customer satisfaction. The progress achieved by us is largely due to our ability to address and exceed customer satisfaction. Our Company has always believed in assessing the changing consumer preferences from time to time and redesigning our products accordingly by continuously exploring new designs, styles, etc.

6) Product Range

We have a comprehensive portfolio of product offerings covering kurtis, sarees, ethnic tops, palazzo, patiala salwar suits, dupattas, quilted jackets, dress material, etc. We believe our comprehensive range of products enables ourselves to capitalize on growth opportunities and demand in the apparel industry. Apparel industry is highly exposed to the risk of sudden change in fashion trends and obsolescence of designs. We insulate ourselves from these changes by keeping pace with changing fashion trends and introducing new and innovative designs and products.

7) Brand Equity

Our Company's brand viz. JaipurKurti.com is well known in its respective product categories. Our brands are well received by our customers. Further we are also in the process of developing our brand "Desi Fusion" which shall expand our affordable clothing segment. Our qualitative and customer demand satisfying products helps us to achieve brand recall among our consumers which strengthens our brand equity.

UTILITIES & INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our registered office and manufacturing unit at Kartarpura Industrial Area, Jaipur 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. It is equipped with requisite utilities and facilities including the following:

Power

Our Company meets its power requirements by purchasing electricity from Jaipur Vidyut Vitran Nigam Limited. The current sanction limit provided to us is 10.00 KW.

Water

Our Company has 1 (one) bore well to meet our water requirements and it is used only for domestic purposes for our employees.

CAPACITY UTILIZATION

Though the Company is engaged in manufacturing of finished apparels, it majorly undertakes cutting, sewing/assembling and inspection of fabric. Further every product which our Company manufactures has manual intervention throughout the production process and is dependent upon the skills and turnaround time of each employee. Hence there does not exist any specific data relating to capacity and capacity utilization.

COLLABORATIONS

As on the date of this Prospectus, our Company has not entered into any technical or other collaboration

EXPORT AND EXPORT OBLIGATION

Our Company does not have any Export Obligation as on date of filing of this Prospectus

HUMAN RESOURCES

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 July 31, 2016 we have 49 employees at our manufacturing facility and registered office, who look after our business operations, factory management, administrative, secretarial, legal, marketing and accounting functions in accordance with their respective designated functions. Apart from these we also employ casual labour or temporary 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.

MARKETING

The efficiency of the marketing and sales network is critical success of our Company. We believe that our success lies in the strength of our customer loyalty for our brand and availability of our wide range of apparels at competitive prices. At present, we have a marketing team who looks after our tie-ups with online portals. Further we also have our own website displaying and offering our variety of products thereby supporting in promotion of our brand and products. We also offer online discounts and schemes to allure customers.

We intend to undertake more marketing initiatives to enhance our brand visibility such as print and electronic advertisements, sponsorships, visual merchandising, etc. Our marketing team is ready to take up challenges so as to scale new heights.

END USERS

We sell our products through online portals and our own website to consumers and retail users for their self consumption.

BUSINESS STRATEGY



1) **Enhancing our Brand Image**

Brand recognition plays an important role in apparel industry. Customer loyalty for brands enhances the prospects of a Company in such industry. At present, our brand “Jaipurkurti.com” is being well received in the market. We are highly conscious about our brand image and seek to further strengthen our brand by increasing its visibility through marketing initiatives, supplying qualitative products at competitive prices.

Further, our Company soon is going to launch a new brand in the name of “**Desi Fusion**” and is in process of its registration with the relevant authorities. The brand shall produce similar product ranges with a fusion touch as manufactured by Jaipurkurti.com but at comparatively low-prices for daily wear of middle income segment. We believe there is an untapped market in the middle income segment wherein the consumers are far restrictive to pay money for designer apparel. This will enhance our business prospects as we shall be able to target a larger number of consumers. Introduction of Desi Fusion will help us to further strengthen our brand image and make it more popular among masses.

2) **Strengthening our customer base**

We propose to widen our retail customer base by launching our Exclusive Brand Outlets (EBO's). It is our long term goal to set up our EBOs at strategic locations, considering important factors such as density of population, tastes of population and other demographics. We also aim to increase our customer reach by partnering with the regional chain stores and other intermediaries.

3) **Widening our product basket**

At present we manufacture and supply ethnic and designer apparels, especially kurtis, salwar dupattas and palazzo pants. While we shall continue to focus on the existing range of products and introduce new varieties, we also aim to broaden our product basket in apparels sector by introducing and offering new range of apparels such as seasonal wear, casual wear, etc.

4) Expansion and upgradation of our manufacturing facilities

At present our manufacturing unit is spread over 790 square yards. Further our subsidiary who supplies us with the primary raw material that is running fabric for our manufacturing operations is located in our adjoining vicinity. Also at present we are using third party manufacturer's facilities to develop some of our product ranges. With an increase in operations, we aim to expand our manufacturing facilities so as to be able to increase our production abilities and reduce dependence on third party manufacturers to the extent beneficial. With expanded facilities, we also aim to develop state of art technology and achieve operational efficiencies.

5) Leveraging our marketing skills and initiatives

Leveraging our marketing skills and relationship is a continuous process in our organisation. We believe in imparting training to our employees for enhancing their marketing skills. Further we aim to undertake some marketing initiatives as well to increase our brand visibility. Such initiatives shall include print and electronic advertisements, sponsorships, visual merchandising, etc.

6) Improving functional efficiency

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement, customer service and technology development.

COMPETITION

We are manufacturer of ethnic and designer apparel and face competition from various domestic and international players. Many our competitors are large apparel companies with strong brand recognition. However, the domestic apparel segment is fragmented and continues to be dominated by unorganized and regional suppliers.

We compete with many manufacturers on the basis of product quality, brand image, price and reliability. We intend to continue compete vigorously to capture more market share and manage our growth in an optimal way by improving our brand image, offering innovative products, satisfying customer's fashion demands, achieving operating efficiencies, etc.

INSURANCE

We maintain insurance policies in respect of our business, operations and products. We have taken insurance policy to insure our stock, plant & machinery, furniture, fixtures & fittings against fire and burglary. 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 is maintained.

LAND AND PROPERTY

Owned Properties:

Our Company does not own any property.









Lease Properties:

The following properties are taken on lease by our Company:

Sr. No.	Location of the property
1.	F-95, Kartarpura Industrial Area, Near 22 Godam, Jaipur-302006
2.	Friends Colony, Sohna Road, Gurgaon-122413
3.	Plot No. 5, SY. No. 684P, Near Ayodhya Cross Road, Gundlapochampally, Village Medchal, Hyderabad
4.	C 6/412, Jaisingh Haive, C Block Banipark, Ward no. 16, Jaipur – 302016

INTELLECTUAL PROPERTY RIGHTS

We have applied for registration of the following Trademarks with the Trademarks Registry, Government of India. The details of trademark applications are as under:

Sr No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Status
1		Device – Word Mark	Nandani Creation Private Limited	2470805	February 01, 2013	35	Objected
2		Device – Word Mark	Nandani Creation Private Limited	2895131	February 06, 2015	24	Objected
3		Device – Word Mark	Nandani Creation Private Limited	2895135	February 06, 2015	25	Objected
4		Device – Word Mark	Nandani Creation Private Limited	3184901	February 12, 2016	42	Objected
5		Device – Word Mark	Nandani Creation Private Limited	3184897	February 12, 2016	24	Objected
6		Device – Word Mark	Nandani Creation Private Limited	3184898	February 12, 2016	25	Objected
7		Device – Word Mark	Nandani Creation Private Limited	3184899	February 12, 2016	35	Objected
8		Device – Word Mark	Nandani Creation Private Limited	3184900	February 12, 2016	42	Objected

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Prospectus, the Companies Act, 1956 / the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in the business of manufacturing and marketing of women apparels such as kurtis, sarees, palazzo, etc. Taxation statutes such as the Income Tax Act, 1961 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 230 of this Prospectus.

APPLICABLE LAWS AND REGULATIONS

A. BUSINESS / TRADE RELATED REGULATIONS

AMENDED TECHNOLOGY UP-GRADATION FUND SCHEME (ATUFS)

Ministry of Textiles, Government of India has notified Amended Technology Up gradation Fund Scheme vide notification dated January 13, 2016. In order to promote ease of doing business, promote make in India and increase the employment, government will be providing credit linked Capital Investment Subsidy (CIS) under the ATUFS. The scheme would facilitate augmenting of investment, productivity, quality, employment and exports. It will also increase investment in textile industry (using benchmarked technology). Entities registered as Companies which have acknowledgment of Industrial Entrepreneur Memorandum (IEM) with DIPP except MSMEs units which will be as per ministry of MSME or units registered with the concerned Directorates of the State Government showing clearly the activity for which the unit is registered, will only be eligible to get benefits under the scheme. Only benchmarked machinery as specified will be eligible for the subsidy under the scheme. The maximum subsidy for overall investment by an individual entity under ATUFS will be restricted to Rs.30 Crore.

National Textile Policy – 2000 (“NTxP – 2000”)

The Government of India in November 2000 announced the National Textile Policy – 2000, thereby replacing the previous Textile Policy of 1985. Though it is to be noted that a revised national textile policy is in the framework stage, however the same is yet to be notified. The main objective of the NTxP – 2000 was to enable the industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. It aimed at achieving textiles and apparel exports of upto \$ 50 billion by 2010 from the present \$ 11 billion. The NTxP – 2000 took note of the new challenges and opportunities presented by the changing global environment, particularly the initiation of the process of gradual phasing out of quantitative restrictions on imports and the lowering of tariff levels for an integration of the world textile and clothing markets by the end of 2004.

The objectives of the NTxP – 2000 are:

- Facilitate the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing, to enable the textile industry to build world class state-of-the-art manufacturing capabilities in conformity with environmental standards, and for this purpose to encourage Foreign Direct Investment as well as research and development in the sector.
 - Equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market;
 - Liberalise controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment enable the textile industry to build world class state-of-the-art manufacturing capabilities in conformity with environmental standards, and for this purpose to encourage both Foreign Direct Investment as well as research and development in the sector;
 - Develop a strong multi-fibre base with thrust on product upgradation and diversification;
 - Sustain and strengthen the traditional knowledge, skills and capabilities of our weavers and craftspeople;
 - Enrich human resource skills and capabilities, with special emphasis on those working in the decentralized sectors of the textile industry; and for this purpose to revitalize the Institutional structure;
 - Expand productive employment by enabling the growth of the textile industry, with particular effort directed to enhancing the benefits to the north east region;
 - Make Information Technology (IT), an integral part of the entire value chain of textile
 - Production and thereby facilitate the textile industry to achieve international standards in terms of quality, design and marketing and;
 - Involve and ensure the active co-operation and partnership of the State Governments, Financial Institutions, Entrepreneurs, Farmers and Non-Governmental Organizations in the fulfillment of these objectives
- Vide the NTxP – 2000 the Government has conveyed it's commitment towards providing a conducive environment to enable the Indian textile industry to realise its full potential, achieve global excellence, and fulfil its obligation to different sections of society.

The Textiles Committee Act, 1963

The Textiles Committee Act, 1963 ("TCA") was enacted in 1963. The textiles committee has been established under the TCA (hereinafter referred to as the "Textile Committee") with the primary objective of ensuring a standard quality of textiles both for domestic and export markets as well as standardization of the type of textile machinery used for production. The Textiles Committee's functions include, among others, the promotion of Indian textiles and textile exports, researching in technical and economic fields, establishing standards for Indian textiles and textile machinery, setting up of laboratories, and data collection. Additionally, the Textile Committee regulates the imposition of cess on textile and textile machinery that is manufactured in India under the Textiles Committee Act. **The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978** prescribes and provides for the levy and collection of an additional excise duty on certain textiles and textile articles.

Textile (Development and Regulation) Order, 2001 ("Textile Order")

The Textile Order was brought into force by the Central Government under section 3 of the Essential Commodities Act, 1955 and repealed the Textile (Development and Regulation) Order, 1993. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles shall keep books of accounts, data and other records relating to his business in the matter of production, processing, import, export, supply, distribution, sale, consumption, etc. and shall furnish such returns or information in respect of their business as and when directed by the Textile Commissioner.

The Textile Order further provides that no person shall make any markings on any textiles resembling the brand name or trade name of any other person who has applied for or obtained a registration to

that effect under the Trade and Merchandise Marks Act, 1958, except under and limited to the extent of specific authorization by the holder of or applicant for such brand or trade name.

Export Promotion Capital Goods Scheme (EPCG Scheme)

To facilitate import of capital goods for producing quality goods and services to enhance India's export competitiveness. EPCG scheme covers manufacturer exporters with or without supporting manufacturer(s), merchant exporters tied to supporting manufacturer(s) and service providers. Also covers a service provider who is designated / certified as a Common Service Provider (CSP) by the DGFT.

The EPCG Scheme allows import of capital goods for pre-production, production and post production at 5% customs duty subject to an export obligation equivalent to 8 times of the duty saved on capital goods imported under the EPCG Scheme to be fulfilled over a period of 8 years reckoned from the date of issuance of the license. The EPCG Scheme covers manufacturer, exporters with or without supporting manufacturer(s)/ vendor(s), merchant exporters tied to supporting manufacturer(s) and service providers.

Capital goods would be allowed at 0% duty for exports of agricultural products and their value added variants. However, in respect of EPCG licences with a duty saved of Rs.100 crore or more, the same export obligation shall be required to be fulfilled over a period of 12 years.

Advance Authorization Scheme

Advance Authorization Scheme is a duty exemption scheme issued to allow duty free import of inputs, which are physically incorporated in export product (making normal allowance for wastage). In addition, fuel, oil, energy, catalysts which are consumed / utilized to obtain export product, may also be allowed. The DGFT, by means of Public Notice, may exclude any product(s) from the purview of Advance Authorization. Advance Authorizations are exempted from payment of basic customs duty, additional customs duty, education cess, antidumping duty and safeguard duty, if any. The facility of Advance Authorization shall also be available where some or all inputs are supplied free of cost to exporter by foreign buyer.

Duty Entitlement Passbook Scheme (DEPB)

DEPB is a duty remission scheme enabling post export replenishment / remission of duty on inputs used in export products. The Objective of DEPB is to neutralize the incidence of customs duty on import content of export product. Component of Special Additional Duty and customs duty on fuel shall also be allowed under DEPB (as a brand rate) in case of non availment of CENVAT credit. The neutralization shall be provided by way of grant of duty credit against the export product. An exporter may apply for credit, at a specified percentage of FOB value of exports, made in freely convertible currency or payment made from foreign currency account of SEZ unit / SEZ Developer in case of supply by DTA. Credit shall be available against such export products and at such rates as may be specified by DGFT by way of public notice. Credit may be utilized for payment of Customs Duty on freely importable items. The DEPB holder shall have the option to pay additional customs duty in cash as well. DEPB credit rates have been prescribed for textiles and clothing products. DEPB credit rates have been prescribed for 83 textiles and clothing products out of which 6 talks about silk products. The scheme aims to neutralize the incident of basic and special custom duty on the import content of the export product, by way of grant of duty credit against the export product at specified rates. However, these export incentives may be reviewed shortly to make them WTO-compatible.

The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978

The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 provides for the levy and collection of an additional 15% of the total amount of excise duty chargeable on certain textiles and textile articles as specified in the schedule to the said Act.

Foreign Trade (Development and Regulation) Act, 1992

The Act for 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 and 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 Legal Metrology Act, 2009

An act to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters incidental thereto. The part of metrology in relation to weighing and measuring units as well as methods of weighing and measuring instruments with the object of ensuring public guarantee and from the point of view of security and accuracy of weighing and measurement. Any weight or measure which conforms to the standard of such weight or measure and also conforms to such of the provisions of Sec. 7 as are applicable to it shall be the standard of weight or measure. Any numeral which conforms to the provisions of Sec. 6 shall be the standard numeral. It further provides that no weight, measure or numeral, other than the standard weight, measure or numeral shall be used as a standard weight, measure or numeral.

Every reference standard, secondary standard and working standard shall be verified and stamped in such manner and after payment of such fee as may be prescribed. Every reference standard, secondary standard and working standard which is not verified and stamped in accordance with the provisions shall not be deemed to be a valid standard. The provision relating to Use and Prohibition provides that no person shall, in relation to any goods, things or service quote, or make announcement of, whether by word of mouth or otherwise, any price or charge, or issue or exhibit any price list, invoice, cash memo or other document, or prepare or publish any advertisement, poster or other document, or indicate the net quantity of a pre-packaged commodity, or express in relation to any transaction or protection, any quantity or dimension, otherwise than in accordance with the standard unit of weight, measure or numeration.

No person shall manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a licence issued by the Controller. No licence to repair shall be required by a manufacturer for repair of his own weight or measure in a State other than the State of manufacture of the same. The Controller shall issue a licence in such form and manner, on such conditions, for such period and such area of jurisdiction and on payment of such fee as may be prescribed.

The Micro, Small and Medium Enterprises Development Act, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time ("MSMED Act") seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- a. where the investment in plant and machinery does not exceed twenty-five lakh rupees shall be regarded as a micro enterprise;
- b. where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise;
- c. Where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty five days from the day of acceptance of goods. The MSMED Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small

Enterprises Facilitation Council („Council“). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

The MSMED act provides for appointment and establishment of National Board by the Central Government for MSME enterprise with its head office at Delhi. The Central Government may from time to time for the purpose of promotion and development of the MSME and to enhance the competitiveness in the sector organise such programmes, guidelines or instructions, as it may deem fit. In case of any offences under this act, no court inferior to that of Metropolitan Magistrate or Chief Metropolitan Magistrate shall try the offence under this act.

Competition Act, 2002

The Competition Act, 2002 (the “Competition Act”) prohibits anti competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 04, 2011 and came into effect on June 01, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as ‘Individuals’ and ‘Group’. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India. Effective June 01, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

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.

A Competition Fund shall be constituted and there shall be credited all government grants of such sum of money as the Government may think fit. The Central Government may by notification in the official gazette establish an Appellate Tribunal known as Competition Appellate Tribunal. The tribunal shall hear and dispose of appeal and adjudicate to claim for compensation that may arise from the findings of the commission.

B. GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and The 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 director's payable by the companies is under Part II of the said schedule.

C. 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.

Integrated Processing Development Scheme

The Integrated Processing Development Scheme seeks to address environmental concerns of the textile industry, including improving the effluent infrastructure. This scheme has received approval of the Cabinet Committee on Economic Affairs, GoI and is proposed to be implemented during the twelfth five year plan and has an outlay of ` 5,000 million.

Ministry of Industry, Department of Industrial Policy and Promotion, Press Note No. 17 (1998 series)

With a view to encouraging investments towards setting up of integrated units and thus achieving value additions, as well as to address the current difficulties of the cotton yarn export oriented units, the Government of India issued Press Note No. 17 (1998 Series), which allows export oriented units the operational flexibility of exporting cotton yarn without being subject to domestic cotton sourcing restrictions to the extent provided for within the press note.

D. EMPLOYMENT AND LABOUR LAWS

The Factories Act, 1948

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.

Employee's Compensation Act, 1923

The Employee's Compensation Act, 1923 ("ECA") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The ECA makes every employer liable to pay compensation in accordance with the ECA if a personal injury/disablement/ loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the ECA within one month from the date it falls due, the commissioner appointed under the ECA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

Industrial (Development and Regulation) Act, 1951

The development and regulation of certain industries are governed under this act. For the purpose of advising on matters relating to relating to development and regulation, the central government may establish a council known as central advisory council. This council shall have not more than 31 members including the chairman who shall be appointed by the Central Government. Every industrial undertaking shall be registered within such period as the central government may notify in this regard. The Central Government has direct power to assume management or control of an industrial undertaking owned or for companies in liquidation.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act")

The EPF Act is applicable to the establishment employing more that 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.

Employees Provident Fund Scheme, 1952

The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Fund Scheme, 1952. The Chairman of the Central Board shall call a meeting of the Board for the purpose of election to the Executive Committee of the members representing the employer or the employees as the case may be. In case of meetings a notice of not less than 15 days from the date of posting with all the required details of the meeting shall be dispatched by registered post or by special messenger to each trustee or the member of committee that are present in India. The provisions relating to Chairman presiding over the meeting or Quorum or nomination of the business are laid down under the scheme. A previous sanction of the Central Government for undertaking any work by the Central provident fund commissioner and the financial adviser. The act gives an express provision for classes of employees and membership of the fund.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The Central Board may by resolution delegate all or any of its power to the Chairman or

Commissioner or both, to sanction the expenditure on any single item. 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

This scheme repeals Employees Family Pension Scheme, 1971. 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.

Employees State Insurance Act, 1948 (the "ESI Act")

All the establishments to which the ESI Act applies are required to be registered under the ESI Act with the Employees State Insurance Corporation. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department. The Act was enacted with the motive of providing for certain benefits to employees in case of sickness, maternity, and employment injury and to make for provision of certain other matters. There shall be for the purpose of administration of the scheme of Employees State Insurance in accordance with the provisions of this Act a Corporation to be known as Employees State Insurance Corporation. This corporation shall be a body corporate having perpetual succession and common seal. All contributions paid under this act and all other money received on behalf of the Corporation shall all be paid into a fund called the Employees State Insurance Fund.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 (the "Gratuity Act") establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months, as the central government may, by notification, specify. Penalties are prescribed for non-compliance with statutory provisions. Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. Presently, an employer is obliged for a maximum gratuity payout of Rs.10,00,000/- for an employee.

Payment of Wages Act, 1936 ("Wages Act")

Payment of Wages Act, 1936 contains provisions as to the minimum wages that are to be fixed by the appropriate Governments for the employees, fixation and revision for the minimum wages of the employees, entitlement of bonus to the employees, fixing the payment of wages to workers and ensuring that such payments are disbursed by the employers within the stipulated time frame and without any unauthorized deductions.

Minimum Wages Act, 1948 (“MWA Act”)

The Minimum Wages Act, 1948 gives power to appropriate government (Central or State) to fix minimum wages to be paid to the persons employed in scheduled or non scheduled employment and the concerned employer is required to pay the minimum wages, fixed by the appropriate government. Such employer is also required to maintain registers and exhibits giving the particulars of wages paid to employees.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment covered under this Act to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

Child Labour (Prohibition and Regulation Act) 1986

The Act 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. Under this Act the employment of child labour in the building and construction industry is prohibited.

Maternity Benefit Act, 1961

The purpose of this Act is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides, inter alia, for paid leave of 12 weeks, payment of maternity benefits and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

Equal Remuneration Act, 1976

The Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention of discrimination, on the ground of sex. It states that no employer shall pay to any worker, employed by him in an establishment or employment, remuneration, whether payable in cash or in kind, at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment or employment for performing the same work or work of a similar nature.

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

In order to curb the rise in sexual harassment of female at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

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.

Industrial Employment Standing Orders Act, 1946

Every establishment employing more than 100 employees is required to formulate rules and regulations for its employees and the same should be submitted for approval to the Deputy Labour Commissioner.

E. TAX RELATED LEGISLATIONS

Central Sales Tax Act, 1956

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.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of “taxable services”, defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 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.

Excise Regulations

The Central Excise Act, 1944 seeks to impose an excise duty on excisable goods which are produced or manufactured in India. The rate at which such a duty is imposed is contained in the Central Excise Tariff Act, 1985. However, the Indian Government has the power to exempt certain specified goods from excise duty by notification.

The Value Added Tax Act (“VAT”)

Under the current regime of VAT the trader of goods has to pay the tax (VAT) only on the Value added on the goods sold. Hence VAT is a multi-point levy on each of the entities in the supply chain with the facility of set-off of input tax- that is the tax paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. Only the value addition in the hands of each of the entities is subject to tax. Periodical returns are required to be filed with the VAT Department of the respective States by the Company.

Rajasthan Value Added Tax Act, 2003 (“RVAT”)

VAT is the most progressive way of taxing consumption rather than business. RVAT has come into effect from 1st January 2007. It is a multi-stage tax on goods that is levied across various stages of production and supply with credit given for tax paid at each stage of Value addition. VAT is a system of multi-point levy on each of the entities in the supply chain with the facility of set-off input tax whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. Only the value addition in the hands of each of the entities is subject to tax. 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 essentially a

consumption tax applicable to all commercial activities involving the production and distribution of goods, and each State that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register themselves and obtain a registration number.

The Customs Act, 1962

All the laws relating to customs are consolidated under the Indian Customs Act, 1962. The officers of customs shall be appointed by the Central Government as it thinks fit. An officer of customs may exercise the powers and discharge the duties conferred on him. The provisions relating to appointment of customs ports, airports, warehousing stations are laid down under the act. There shall be absolute or partial prohibition on import or export of goods by the Central Government for maintenance of security in India. The interest on levy of or exemption of Customs duty is thus laid down under the act. The clearance of imported goods and export shall not apply to baggage and goods imported or to be exported by post.

OTHER LAWS

Shops and establishments laws in various states

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our company is located in Jaipur and Rajasthan Shops and Establishment Act, 1958.

F. INTELLECTUAL PROPERTY LEGISLATIONS

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- The Copyright Act, 1957
- The Trade Marks Act, 1999
- The Information Technology Act, 2000

The 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.

The Information Technology (“IT”) Act, 2000

This Act aims to provide the legal infrastructure for e-commerce in India. And the cyber laws have a major impact for e-businesses and the new economy in India. So, it is important to understand what are the various perspectives of the IT Act, 2000 and what it offers. The Information Technology Act,

2000 also aims to provide for the legal framework so that legal sanctity is accorded to all electronic records and other activities carried out by electronic means. The Act states that unless otherwise agreed, an acceptance of contract may be expressed by electronic means of communication and the same shall have legal validity and enforceability.

G. HUMAN RESOURCE DEVELOPMENT

TEXTILE WORKERS' REHABILITATION FUND SCHEME (TWRFS)

In order to protect the interests of the workers of closed mills, the Textile Workers' Rehabilitation Fund Scheme (TWRFS) came into force with the objective of providing interim relief to textile workers rendered unemployed as a consequence of the permanent closure of any particular portion of, or the entire textile unit. The assistance under TWRFS is available to eligible workers only for the purpose of enabling them to settle in other gainful employment and is available only for three years on a tapering basis, but would not extend beyond the date of super-annuation of any worker. A closed textile mill should be licensed under the Industrial (Development and Regulation) Act, 1951 or registered with the Textile Commissioner as a medium scale unit on the date of the closure. The mill should have obtained the requisite permission for closure from the appropriate State Government under Section 25(o) of the Industrial Disputes Act, 1947, or should be taken over by an Official Liquidator appointed by the High Court, and the unit should have closed down on or after June 6, 1985. This also includes partially closed units, wherein the State Government recommends that an entire uneconomic activity (like weaving or processing) is scrapped as a part of rehabilitation package for a sick/weak mill (as per the RBI definition) approved by the Nodal Agency/BIFR, provided the scrapped capacity is surrendered for cancellation and endorsement is made on the License /Registration certificate to this effect.

GENERAL LAWS

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Income Tax Act 1961, Negotiable Instrument Act 1881, Indian Contract Act 1872, Specific Relief Act 1963, Transfer of Property Act 1882, Indian Stamp Act 1899, Indian Registration Act 1908 and Consumer Protection Act, 1986 are also applicable to the company.

POLICIES APPLICABLE

THE FOREIGN DIRECT INVESTMENT

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 sectorial 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 incorporated as “Nandani Creation Private Limited” at Banipark, Jaipur, Rajasthan as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated February 21, 2012 bearing Corporate Identification Number U18101RJ2012PTC037976 issued by Registrar of Companies, Rajasthan. Subsequently, our Company was converted into Public Limited Company under Section 18 of the Companies Act, 2013; pursuant to Shareholders resolution passed at the Extraordinary General Meeting of our Company held on August 03, 2016 and the name of our Company was changed to “Nandani Creation Limited” and a fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated August 12, 2016 was issued by the Registrar of Companies, Jaipur. The Corporate Identification Number of our Company is U18101RJ2012PLC037976.

Anuj Mundra and Vandna Mundra are promoters of our Company.

Anuj Mundra, Vandna Mundra and Sunita Devi Mundhra were the initial subscribers to the Memorandum and Articles of Association of our Company subscribing 2500, 5100 and 2400 Equity shares respectively.

Our Company is engaged mainly in manufacturing and e-retailing of women apparels like kurtis, kurtas, sarees, ethnic tops, palazzo, patiala salwar suits, dupattas, quilted jackets, dress material, etc. The Company is best known for its ethnic wear, kurtis with traditional designs. For information on our Company’s profile, activities, market, products, etc., market of each segment, capacity built-up, exports 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 133, 187, 212 and 230 respectively of the Prospectus.

The total number of members of our Company as on the date of filing of this Prospectus is 7. For further details, please refer the chapter titled “*Capital Structure*” beginning on page 71 of this Prospectus.

CHANGES IN OUR REGISTERED OFFICE:

At the time of Incorporation, our Registered Office was situated at C 6/412, Jaisingh Haive, C Block Banipark, Ward no. 16, Jaipur – 302016. Subsequently, our Registered Office was shifted to:

Date	From	To	Reasons
August 09, 2016	C 6/412, Jaisingh Haive, C Block Banipark, Ward no. 16, Jaipur – 302016	F-95, Kartarpura Industrial Area, Near 22 Godam, Jaipur-302006	For Administrative Convenience

MAIN OBJECTS OF OUR COMPANY

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

- 1) “To carry in India or elsewhere the business to manufacture , producers, processors, importers, exporters, agents, brokers, wholesalers, showroom owners, retailers, distributors, exchangers, traders, buyers, sellers, job workers, stockists and to market, promote, organize, design, develop, cut, sort and grade, portal or otherwise to deal in all shapes, sizes, varieties, specifications,

descriptions, applications, modalities fashions and uses of dress materials, suits, sarees, garments for men, women and children including sportswear, active wears, daily wears, fashion wears, high fashions wears, party wears, wearing apparels, underwear's, purses, belts, wallets and other allied goods made form cotton , silk, synthetics, jute, velvet, woollen, leather, rexin, or with any combination thereof and to participate in local, national and international trade fairs, sales exhibitions, seminars, fashion shows or any other sales promotion scheme.”

- 2) “To carry in India or elsewhere the business of manufacturing, processing, producing, Washing, dyeing, ginning, Pressing, spinning weaving, krimping, texturizing, carding, bleaching, combing, doubling, finishing, calendaring, sizing, colouring, printing, block printing, hand printing, mercerizing, reeling , winding, throwing, embroidering, blending, sorting, garneting, stretching, drying, drawing, cutting, improving, buying, selling, reselling, importing, exporting, transporting, sorting, fabrication, developing, marketing, or supplying, and to act as broker, trader, agent C and F agent, Distributor, representative, consultant, collaborator, adatia, stockists, liasioner, job worker, export, house or otherwise to deal in all types of textile goods, dress materials, fabrics, cloths, yarns, such as nets, matting, hosiery, plastic cloths, water proof fabrics, pavlners, american clothes, imitation leather and rubber cloths, tents, durries, newar, ropes, rugs, furnishing cloths, tapestries, curtain cloths, blankets, carpets, carpet backing, gloves, laces, terry fabrics, velvet, georgette, gabardine, pashminas, floor, cloths, twid, patto, canvas, khaddar, denim, stones wash, suiting's, shirting's, sarees and other similar items made on power loom, handloom or mill by man made or natural materials, like cotton flax, hemp, liner, wool, nylon, viscose, ramie, polyester, silk, artsilk, rayon, jute, staple, fibres, cashmilon, filaments, terecotton, monofilaments, multifilaments, acrylics, polynosic, polypropeline, polymide, cellulose, dropping, spun or other fibrous substances or any combination thereof a available at present and as may be invented in future.”

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION

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

Date of AGM / EGM	Changes
March 03, 2014	Increase of Authorised Capital from Rs. 1,00,000 consisting of 10,000 Equity Shares of Rs.10/- each to Rs. 10,00,000 consisting of 1,00,000 Equity Shares of Rs.10/- each
May 07, 2016	Increase of Authorised Capital from Rs. 10,00,000 consisting of 1,00,000 Equity Shares of Rs.10/- each to Rs. 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs.10/- each
August 03, 2016	Conversion from Private to Public : Clause I of the Memorandum of Association of the Company changed to reflect changed name of the Company as Nandani Creation Limited on Conversion of Company into a Public Company.
August 13, 2016	Increase of Authorised Capital from Rs. 3,00,00,000 consisting of 30,00,000 Equity Shares Rs.10/- each to Rs. 3,25,00,000 consisting of 32,50,000 Equity Shares of Rs.10/- each

KEY EVENTS AND MILESTONES

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

Year	Events
2012	Incorporation of our Company and commencement of business
	First ever agreement signed with any e-commerce company Jasper Infotech Pvt Ltd (Snapdeal) to escalate the sale
2016	Formed a subsidiary Company in name of “Desi Fusion India Private Limited”
	Conversion of Company to Public Limited

OUR HOLDING COMPANY

Our Company does not have any holding company as on the date of filing of this Prospectus.

OUR SUBSIDIARY COMPANY,

Except given as under our Company does not have any other subsidiary, as on the date of the Prospectus.

1) Desi Fusion India Private Limited

Corporate Information

Desi Fusion India Private Limited was incorporated as a Private Limited Company under Companies Act 2013 on May 31, 2016, bearing CIN U17299RJ2016PTC055107.

Registered Office

The Registered Office of Desi Fusion India Private Limited is situated at Flat No. 302, C-6, Kamal Apartment, Sawai Jai Singh Highway, Banipark, Jaipur-302016

Nature of Business

Desi Fusion India Private Limited is mainly engaged in the business of dyeing and printing of Grey Fabric.

Capital Structure and Shareholding Pattern

The authorized share capital of the company is Rs.50,00,000 divided into 5,00,000 equity shares of Rs. 10 each and the paid up share capital of the company is Rs. 50,00,000 divided into 5,00,000 equity shares of Rs. 10 each.

The shareholding pattern of Desi Fusion India Private Limited as on the date of this Prospectus is as mentioned below:

Name of Shareholder	Number of shares	Percentage of shares
Dwarka Dass Mundhra	50	0.01
Nandani Creation Private Limited	4,99,950	99.99
Total	5,00,000	100.00

The Board of Directors of Desi Fusion India Private Limited as on the date of this Prospectus is as follows:

Sr. No.	Name of Directors
1	Sunita Devi Mundhra
2	Dwarka Dass Mundhra

Since the company has been incorporated in F.Y. 2016-17, hence financial statements has not been prepared.

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 Information as Restated” and “Capital Structure” beginning on page 187 and 71, respectively, of this 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

Since incorporation, there has been no change in the activities being carried out by our Company.

INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunction or restraining order

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

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

SHAREHOLDERS' AGREEMENTS

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

STRIKES AND LOCK-OUTS

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

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this 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 Prospectus.

FINANCIAL PARTNERS

As on the date of this 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 financial institutions or banks as on the date of this Prospectus.

NUMBER OF SHAREHOLDERS

Our Company has 7 (Seven) shareholders as on date of this 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. As on the date of this Prospectus, our Board comprises of six Directors.

The following table sets forth details regarding our Board:

Sr No.	Name, Father's/Husband's Name, Age, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Re-appointment	Other Directorship
1.	Name: Anuj Mundra Father's Name: Dwarka Dass Mundhra Age: 35 years Designation: Chairman and Managing Director Address: C6/412, Jaisingh Haive, C Block, Banipark, Ward No 16, Jaipur - 302016 Occupation: Business Nationality: Indian Term: Five Years from August 16, 2016 subject to liable to retire by rotation. DIN: 05202504	August 16, 2016	Public Limited Company: Nil Private Limited Company: Nil
2.	Name: Vandna Mundra Husband's Name: Anuj Mundra Age: 35 years Designation: Whole-time Director Address: C6/412, Jaisingh Haive C Block, Banipark, Ward No 16, Jaipur - 302016 Occupation: Business Nationality: Indian Term: Five Years from August 16, 2016 subject to liable to retire by rotation. DIN: 05202403	August 16, 2016	Public Limited Company: Nil Private Limited Company: Nil
3.	Name: Sunita Devi Mundhra Husband's Name: Dwarka Dass Mundhra Age: 55 years Designation: Whole-time Director Address: C6/412, Jaisingh Haive C Block, Banipark, Ward No 16, Jaipur - 302016 Occupation: Business Nationality: Indian Term: Five Years from August 16, 2016 subject to liable to retire by	August 16, 2016	Public Limited Company: Nil Private Limited Company: 1. Desi Fusion India Private Limited

Sr No.	Name, Father's/Husband's Name, Age, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Re-appointment	Other Directorship
	rotation. DIN: 05203015		
4.	Name: Gagan Saboo Father's Name: Girdhar Das Saboo Age: 34 years Designation: Additional Independent Director Address: B-3, Metal Colony, Amba Bari, Jaipur-302023 Occupation: Business Nationality: Indian Term: Till Next Annual General Meeting DIN: 07545038	August 12, 2016	Public Limited Company: Nil Private Limited Company: Nil
5.	Name: Gaurav Jain Father's Name: Hastimal Jain Age: 34 years Designation: Additional Independent Director Address: 8/336, Old Vidyadhar Nagar, Jaipur-302023 Occupation: Business Nationality: Indian Term: Till Next Annual General Meeting DIN: 00065686	August 12, 2016	Public Limited Company: Nil Private Limited Company: 1. HM Aluminium Alloys Private Limited 2. H M Conductors and Engineers Private Limited
6.	Name: Neetesh Kabra Father's Name: Gauri Shankar Kabra Age: 41 years Designation: Additional Independent Director Address: 17, Ajmera Garden, Nirman Nagar, Kings Road, Jaipur-302015 Occupation: Business Nationality: Indian Term: Till Next Annual General Meetings DIN: 01574553	August 12, 2016	Public Limited Company: Nil Private Limited Company: Nil

BRIEF BIOGRAPHIES OF OUR DIRECTORS

i. Anuj Mundra, Chairman and Managing Director

Anuj Mundra aged 35 years, is the Chairman and Managing Director of our Company. He is a first generation entrepreneur and has experience in this industry for around a decade. His rich experience and dedication has contributed immensely in the development of the Company. He is

the key person in formulating and implementation of business strategy for growth & expansion and looks after overall business operations.

ii. Vandna Mundra, Whole Time Director

Vandna Mundra, aged 35 years, is the Whole-time Director of our Company. She has been the Director of our Company since incorporation. She holds a degree in Bachelor of Arts (B.A) from International College for Girls, Jaipur affiliated to Rajasthan University and has an experience of about four years in apparel industry. She has good experience in the field of designing apparels and constantly works towards the designing the products of our Company. She handles our designing department and keeps the team updated with the latest on-going trends.

iii. Sunita Devi Mundhra, Whole Time Director

Sunita Devi Mundhra aged 55 years, has been a strong support and has nurtured the Company with values. She is associated with the Company since incorporation as a Director. Moreover she has approx. 9 years of experience in this industry and currently looks after the Human Resource of the Company.

iv. Gagan Saboo, Additional Independent Director

Gagan Saboo, aged approximately 34, is appointed as an Additional Independent Director of our Company with effect from August 12, 2016.

v. Gaurav Jain, Additional Independent Director

Gaurav Jain, aged approximately 34, is appointed as an Additional Independent of our Company with effect from August 12, 2016.

vi. Neetesh Kabra, Additional Independent Director

Neetesh Kabra, aged approximately 41, is appointed as an Additional Independent Director of our Company with effect from August 12, 2016.

As such no remuneration/sitting fees was paid to any Additional Independent Director for the Financial Year 2015-16, as they were appointed on our Board in the Financial Year 2016-17

CONFIRMATIONS

As on the date of this 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	Related To	Relation
Anuj Mundra	Vandna Mundra	Husband
	Sunita Devi Mundhra	Son
Vandna Mundra	Anuj Mundra	Wife
	Sunita Devi Mundhra	Daughter-in-Law
Sunita Devi Mundhra	Anuj Mundra	Mother
	Vandna Mundra	Mother-in-Law

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. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
6. None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

REMUNERATION/COMPENSATION OF DIRECTORS

Except as mentioned below, no other current Directors have received remuneration during the last financial year ended on March 31, 2016,

Name of Director	Amount (Rs. In Lakhs)
Anuj Mundra	1.20
Vandna Mundra	3.60
Sunita Devi Mundhra	3.60

Compensation of our Managing Director:

The compensation payable to our Managing Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 196, 197 and 203 and any other applicable provisions of the Companies Act, 2013 the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with schedule V to the Companies Act, 2013 and Articles of Association of the Company.

Terms and conditions of employment of our Managing Director

Anuj Mundra was re-appointed as Managing Director of our Company with effect from August 16, 2016 for a period of five years. The terms and conditions of his employment are as follows:

Remuneration	Rs. 90,000/- per month
Term of Appointment	5 Years
Perquisites	<p>A. Company's contribution towards provident fund as per rules of the company, but not exceeding 12% of salary and Company's contribution towards superannuation fund which shall not, together with the Company's contribution to provident fund, exceed 12%.</p> <p>B. Gratuity payable at the rate of half month's salary for each completed year of service with a service of six months or more being treated as a full year.</p> <p>C. Encashment of leave at the end of tenure, if any, as per the policy of the Company.</p>

Further, he shall be entitled to reimbursement of actual entertainment, travelling expenses incurred from time to time to perform his duties as per the rules of the Company.

Terms and conditions of employment of our Whole Time Directors

1. Vandna Mundra:

Vandna Mundra was appointed as whole-time director of the company with effect from August 16, 2016 for a period of five years. The terms & conditions of her employment are as follows:

Remuneration	Rs. 90,000/- per month
Term of Appointment	5 Years
Perquisites	<p>A. Company's contribution towards provident fund as per rules of the company, but not exceeding 12% of salary and Company's contribution towards superannuation fund which shall not, together with the Company's contribution to provident fund, exceed 12%.</p> <p>B. Gratuity payable at the rate of half month's salary for each completed year of service with a service of six months or more being treated as a full year.</p> <p>C. Encashment of leave at the end of tenure, if any, as per the policy of the Company.</p>

Further, he shall be entitled to reimbursement of actual entertainment, travelling expenses incurred from time to time to perform his duties as per the rules of the Company.

2. Sunita Devi Mundhra:

Sunita Devi Mundhra was appointed as whole-time director of the company with effect from August 16, 2016 for a period of five years. The terms & conditions of her employment are as follows:

Remuneration	Rs. 60,000/- per month
Term of Appointment	5 Years
Perquisites	<p>A. Company's contribution towards provident fund as per rules of the company, but not exceeding 12% of salary and Company's contribution towards superannuation fund which shall not, together with the Company's contribution to provident fund, exceed 12%.</p> <p>B. Gratuity payable at the rate of half month's salary for each completed year of service with a service of six months or more being treated as a full year.</p> <p>C. Encashment of leave at the end of tenure, if any, as per the policy of the Company.</p>

Further, he shall be entitled to reimbursement of actual entertainment, travelling expenses incurred from time to time to perform his duties as per the rules of the Company.

Terms and conditions of employment of our Independent Directors

Independent Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our Company.

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

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Vandna Mundra	4,42,790	29.41%	15.01%
2.	Anuj Mundra	9,70,890	64.49%	32.92%
3.	Sunita Devi Mundhra	86,900	5.77%	2.95%

INTERESTS OF DIRECTORS

Interest in promotion of our Company

Our Directors may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled “*Related Party Transactions*” beginning on page 185 of this 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 Prospectus or proposed to be acquired by us as on date of filing of this Prospectus

Interest as member of our Company

As on date of this Prospectus, our Directors together hold 15,00,580 Equity Shares in our Company i.e. 99.67% of the pre Issue paid up Equity Share capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding, dividend declared and other distributions, if any, by our Company.

Interest as a creditor of our Company

As on the date of this Prospectus, our Company has availed loans from the Directors of our Company. For further details, refer to chapter titled “*Financial Indebtedness*” and section titled “*Related Party Transactions*” beginning on page 221 and 185 of this Prospectus.

Interest as Director of our Company

Except as stated above and in the chapters titled “*Financial Statements as Restated*” and “*Capital Structure*” beginning on pages 187 and 71 of this 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

Anuj Mundra, Chairman and Managing Director of the Company, Vandna Mundra, Whole-time Director and Sunita Devi Mundhra, Whole-time Director of our Company are Key Managerial

Personnel of the Company and may be deemed to be interested to the extent of remuneration, 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. For further details, please refer details mentioned in “*Related Party Transactions*” beginning on page 185 of this Prospectus.

Interest in transactions involving acquisition of land

Our Directors are not currently interested in any transaction with our Company involving acquisition of land. Except as stated/referred to in the heading titled “*Land and Property*” in the chapter “*Our Business*” beginning on page 133 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Other Indirect Interest

Except as stated in “*Financial Statements as Restated*” beginning on page 187 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

Interest in the Business of Our Company

Save and except as stated otherwise in “*Related Party Transactions*” in the chapter titled “*Financial Statements as Restated*” beginning on page 187 of this Prospectus, our Directors do not have any other interests in our Company as on the date of this Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have any Associate Company and our Directors do not have any shareholding in Desi Fusion India Pvt Ltd, 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 Prospectus.

Name	Date of event	Nature of event	Reason
Anuj Mundra	August 16, 2016	Re-designation	Designated as Managing Director
Vandna Mundra	August 16, 2016	Re-designation	Designated as Whole-time Director
Sunita Devi Mundhra	August 16, 2016	Re-designation	Designated as Whole-time Director
Gagan Saboo	August 12, 2016	Re-designation	Appointment as Additional Independent Director
Gaurav Jain	August 12, 2016	Re-designation	Appointment as Additional Independent Director
Neetesh Kabra	August 12, 2016	Re-designation	Appointment as Additional Independent Director

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at Extraordinary General Meeting of our Company held on August 03, 2016, consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money at its discretion on such terms and conditions as the Board may deem fit and appropriate, notwithstanding that the money to be borrowed together with the money already borrowed by our Company from the financial institutions, Company’s banker’s, firms, bodies corporate and/or from any other person or persons whether by way of loan, advances, deposits, bill

discounting, issue of debentures, bonds or any financial instruments or otherwise and whether secured or unsecured, borrowed by our Company and outstanding at any one time shall not exceed the sum of Rs. 100 Crore (One Hundred Crore).

CORPORATE GOVERNANCE

The provisions of the SEBI Listing Regulations will be applicable to our Company immediately upon the listing of our Equity Shares with NSE. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Chapter IV of the SEBI Listing Regulations as may be applicable.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has six directors out of which three are Additional Independent Directors. The constitution of our Board is in compliance with section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations.

The following committees have been formed in compliance with the corporate governance norms:

- A. Audit Committee
- B. Stakeholders Relationship Committee
- C. Nomination and Remuneration Committee

A) *Audit Committee*

Our Company 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 August 22, 2016.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the Listing Regulation, 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
Gaurav Jain	Chairman	Additional Independent Director
Gagan Saboo	Member	Additional Independent Director
Neetesh Kabra	Member	Additional Independent 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 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 one hundred and twenty days 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 August 22, 2016

The Stakeholder's Relationship Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Gaurav Jain	Chairman	Additional Independent Director
Anuj Mundra	Member	Managing Director
Vandna Mundra	Member	Whole-time Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder's Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;

2. Redressal of shareholder's/investor's complaints;
3. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
5. Allotment and listing of shares;
6. Reference to statutory and regulatory authorities regarding investor grievances; and
7. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
8. Any other power specifically assigned by the Board of Directors of the Company

Quorum for Stakeholders Relationship Committee

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be 2 members or one third of the members, whichever is greater.

C) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Compensation committee was approved by a Meeting of the Board of Directors held on August 22, 2016. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Gaurav Jain	Chairman	Additional Independent Director
Gagan Saboo	Member	Additional Independent Director
Neetesh Kabra	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 terms of reference of the Nomination and Compensation Committee are:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for evaluation of Independent Directors and the Board;
- c. Devising a policy on Board diversity;
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance;
- e. Determining, reviewing and recommending to the Board, the remuneration of the Company's Managing/ Joint Managing / Deputy Managing / Whole time / Executive Director(s), including all elements of remuneration package;
- f. To ensure that the relationship of remuneration to perform is clear and meets appropriate performance benchmarks.
- g. Formulating, implementing, supervising and administering the terms and conditions of the Employee Stock Option Scheme, Employee Stock Purchase Scheme, whether present or prospective, pursuant to the applicable statutory/regulatory guidelines;
- h. Carrying out any other functions as authorized by the Board from time to time or as enforced by statutory/regulatory authorities

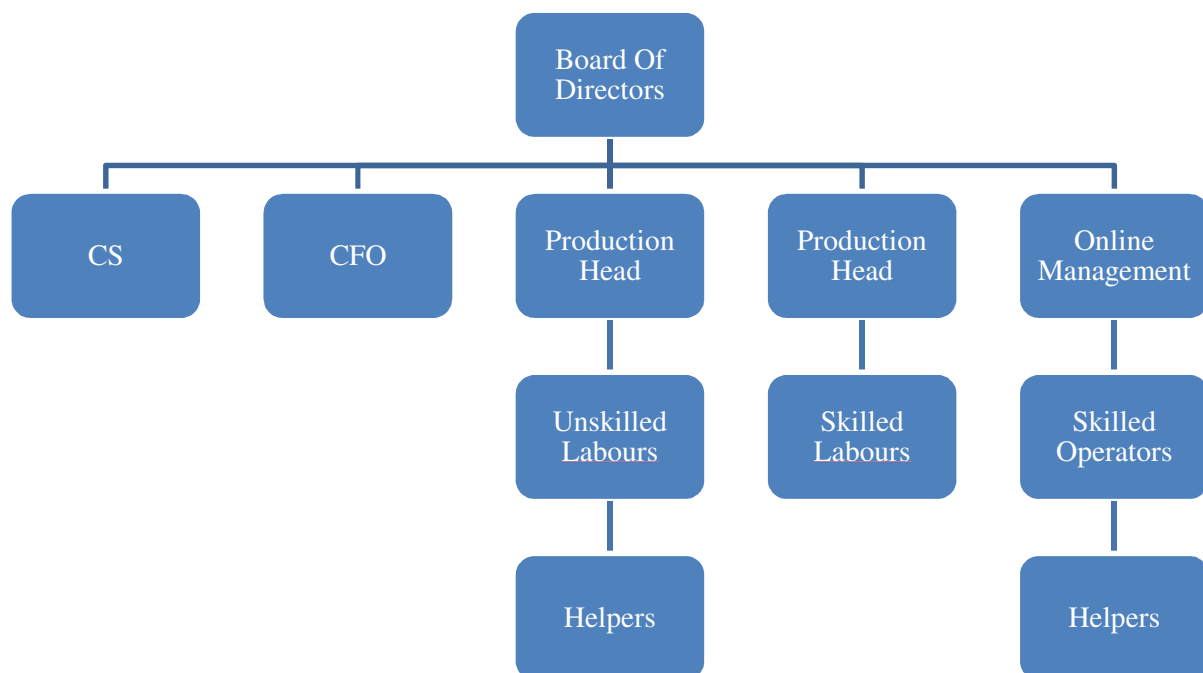
Quorum for Nomination and Remuneration Committee

The quorum necessary for a meeting of the Remuneration Committee shall be 2 members or one third of the members, whichever is greater.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

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 SME Platform of National Stock Exchange of India 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 August 24, 2016 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons. Ms. Priya Kshtriya, 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.

ORGANIZATIONAL 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.

i. Anuj Mundra, Chairman and Managing Director

Anuj Mundra aged 35 years, is the Chairman and Managing Director of our Company. . He is a first generation entrepreneur and has experience in this industry for around a decade. His rich experience and dedication has contributed immensely in the development of the Company. He is the key person in formulating and implementation of business strategy for growth & expansion and looks after overall business operations.

ii. Vandna Mundra, Whole Time Director

Vandna Mundra, aged 35 years, is the Whole-time Director of our Company. She has been the Director of our Company since incorporation. She holds a degree in Bachelor of Arts (B.A) from International College for Girls, Jaipur affiliated to Rajasthan University and has an experience of about four years in apparel industry. She has good experience in the field of designing apparels and constantly works towards the designing the products of our Company. She handles our designing department and keeps the team updated with the latest on-going trends.

iii. Sunita Devi Mundhra, Whole Time Director

Sunita Devi Mundhra aged 55 years, has been a strong support and has nurtured the Company with values. She is associated with the Company since incorporation as a Director. Moreover she has approx. 9 years of experience in this industry and currently looks after the Human Resource of the Company.

iv. Dwarka Dass Mundhra, Chief Financial Officer

Dwarka Dass Mundhra, aged 60 years is the Chief Financial Officer of our Company with effect from August 22, 2016. He has been associated with our since incorporation and responsible for looking after accounting, finance and taxation of our Company. During the financial year 2015-16, we have paid him Rs. 3.60 Lakhs.

v. Priya Kshtriya, Company Secretary

Priya Kshtriya, aged 24 is a Company Secretary and Compliance Officer of our Company. She is 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. During the financial year 2015-16, she was not paid remuneration as he has joined the Company in the current financial year.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except as stated below, none of the key managerial personnel are related to the each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

Name of the KMP	Related To	Relation
Anuj Mundra	Vandna Mundra	Husband
	Sunita Devi Mundhra	Son
	Dwarka Dass Mundhra	Son
Vandna Mundra	Anuj Mundra	Wife
	Sunita Devi Mundhra	Daughter-in-Law
	Dwarka Dass Mundhra	Daughter-in-Law
Sunita Devi Mundhra	Anuj Mundra	Mother
	Vandna Mundra	Mother-in-Law
	Dwarka Dass Mundhra	Wife
Dwarka Dass Mundhra	Vandna Mundra	Father-in-Law
	Sunita Devi Mundhra	Husband
	Anuj Mundra	Father

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Prospectus.

Sr. No.	Name of Shareholder	No. of Shares held	% of Shares held
1.	Anuj Mundra	9,70,890	64.49%
2.	Vandna Mundra	4,42,790	29.41%
3.	Sunita Devi Mundhra	86,900	5.77%
4.	Dwarka Dass Mundhra	4,700	0.31%

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 Directors, 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

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, if any. Except as disclosed under heading titled “Shareholding of the Key Managerial Personnel” in the chapter “Our Management” on page 164 of this Prospectus none of our Key Managerial Personnel hold any equity shares in our Company. Further, the Whole-time Director of our Company is also interested to the extent of being Promoter of our Company. For more information, see “Our Promoters and Promoter Group” on page 179 of this. Except as stated in chapter titled “Related Party Transactions” beginning on page 185 of this Prospectus and as described herein above, our KMPs do not have any other interest in our business. Except as disclosed in this Prospectus, none of our Key Managerial Personnel have been paid any consideration of any nature from our Company, other than their remuneration.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

The changes in the Key Managerial Personnel in the last three years are as follows:

Name of Managerial Personnel	Designation	Date of Event	Reason
Anuj Mundra	Chairman and Managing Director	August 16, 2016	Designated as Chairman and Managing Director
Vandna Mundra	Whole-time Director	August 12, 2016	Designated as Whole-time Director
Sunita Devi Mundhra	Whole-time Director	August 12, 2016	Designated as Whole-time Director

Name of Managerial Personnel	Designation	Date of Event	Reason
Dwarka Dass Mundhra	Chief Financial Officer	August 12, 2016	Designated as Chief Financial Officer
Priya Kshtriya	Company Secretary	August 24, 2016	Designated as Company Secretary

Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

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*” beginning on page 187 of this 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 Anuj Mundra and Vandna Mundra. As on the date of the Prospectus, our Promoters hold, in aggregate 14,13,680 Equity Shares representing 93.90% of the pre-issue Paid up Capital of our Company.

Brief profile of our individual Promoter is as under:

	<p>Anuj Mundra, Promoter, Chairman and Managing Director</p> <p>Anuj Mundra, aged 35 years, is the Promoter, Chairman and Managing Director of our Company. He has been director of our Company since Incorporation. He has an experience of more than a decade in textile industry. He looks after overall business of the company. He is the key person in formulating and implementation of Business strategy for growth & expansion and has been the front face of the company in dealing with suppliers, vendors, customers, etc.</p> <p>Nationality: Indian Passport No: J8679058 Driving License: RJ-14/DLC/2001/147001 Voters ID: TZV/0704858</p> <p>Address: C6/412, Jaisingh Haive, C Block, Banipark, Ward No 16, Jaipur-302016, Rajasthan, India</p> <p>For further details relating to Anuj Mundra, including terms of appointment as our Chairman and Managing Director, other directorships, please refer to the chapter titled “<i>Our Management</i>” beginning on page 164 of this Prospectus.</p>
	<p>Vandna Mundra, Promoter, Whole-Time Director</p> <p>Vandna Mundra, aged 35 years, is the Promoter and Whole-Time Director of our Company. She has been the Director of our Company since incorporation. She holds a degree in Bachelor of Arts (B.A) from International College for Girls, Jaipur affiliated to Rajasthan University and has an experience of about 4 (four) years in apparel industry.</p> <p>Nationality: Indian Passport No: K0178081 Driving License: RJ-14/DLC/02/235831 Voters ID: TZV/0704841</p> <p>Address: C6/412, Jaisingh Haive, C Block, Banipark, Ward No 16, Jaipur-302016, Rajasthan, India</p> <p>For further details relating to Vandna Mundra, including terms of appointment as our Whole-Time Director, other directorships, please refer to the chapter titled “<i>Our Management</i>” beginning on page 164 of this Prospectus.</p>

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 this Draft Prospectus with it.

LITIGATION

For details on litigations and pending disputes against the Promoters and Group Companies and defaults made by them, please refer to the chapter titled, *“Outstanding Litigations and Material Developments”* beginning on page 223 of this Prospectus.

DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEARS

Our Promoters have not disassociated themselves from any entities, firms or companies during preceding three years.

UNDERTAKING / CONFIRMATIONS

None of our Promoters, Promoter Group is prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority, regulatory, or governmental.

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

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.

There is no litigation or legal action pending or taken by any ministry, department of the government or statutory authority during the last five years preceding the date of the Prospectus against our Promoters, except as disclosed in Outstanding Litigation and Material Developments on page 223

For other confirmations of the Our Promoters and Group Companies, please see the chapter titled *“Other Regulatory and Statutory Disclosures”* beginning on page 236 of this Prospectus.

INTEREST OF PROMOTERS

Interest in promotion of our Company

Our Promoters may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details refer to heading titled *“Related Party Transaction”* under the chapter titled *“Financial Statements as Restated”* beginning on page no. 187 of this Prospectus.

Interest in the property of our Company

Our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us as on date of filing of this Prospectus. However our Company has taken one of our offices on lease from our Promoter.

Interest as member of our Company

As on date of this Prospectus, our Promoters together hold 14,13,680 Equity Shares in our Company i.e. 93.90% of the pre Issue paid up Equity Share capital of our Company. Therefore, our Promoters are interested to the extent of their respective shareholding and the dividend declared, if any, by our

Company.

For details of our Promoters shareholding in our Company, please refer chapter titled “Capital Structure” beginning on page 71 of this Prospectus.

Interest as a creditor of our Company

As on March 31, 2016, our Company has undertaken transactions with the Promoters and certain entities in which our Promoters may deem to be interested. For further details regarding interest as creditor, refer to chapter titled “*Financial Statement as Restated*” and annexure “*Related Party Transactions*” beginning on pages 187 and 185 respectively of this Prospectus.

Interest as Director of our Company

Except as mentioned in the chapters titled “*Our Management*”, “*Financial Statements as Restated*” and “*Capital Structure*” beginning on pages 164, 187 and 71 respectively of this Prospectus, our Promoters, may deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in the capacity of being Directors of our Company, 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

Anuj Mundra is the Chairman and Managing Director of our Company and Vandna Mundra is the Whote-time Director of the Company, and hence are Key Managerial Personnel of our Company and may be deemed to be interested to the extent of remuneration and 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. For further details, please refer to chapters titled “*Our Management*” and “*Related Party Transaction*” on page 164 and 185 respectively of this Prospectus.

Interest in transactions involving acquisition of land

Our Company has taken one of our offices on lease from our Promoter. Except that our Promoters have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements, and arrangements or are proposed to be made to them.

Other Indirect Interest

Except as stated in chapter titled “*Related Party Transactions*” beginning on page 187 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Promoters or members of our Promoter group.

Payment of benefits to our Promoters and Promoter Group during the last two years

Other than in the normal course of business including any advances or commission paid and except as stated in “*Financial Statements as Restated*” beginning on page 187 of this Prospectus, there has been no payment of any amount of benefits to our Promoters or the members of our Promoter Group during the last two years from the date of the Prospectus nor is there any intention to pay or give any benefit to our Promoters or members Promoter group as on the date of the Prospectus.

COMMON PURSUITS

None of our member of Promoter Group or Group Companies are engaged in activities similar to our Company.

RELATED PARTY TRANSACTIONS

For details of related party transactions entered into by our Promoters, Promoter Group and Company during the last Financial Year, the nature and the cumulative value of transactions, see “*Related Party Transactions*” on page 185 of this 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 Promoter	Anuj Mundra	Vandna Mundra
Father	Dwarka Das Mundhra	NA*
Mother	Sunita Devi Mundhra	NA*
Spouse	Vandna Mundra	Anuj Mundra
Daughter	Amaira Mundra	Amaira Mundra
Son	Aarav Mundra	Aarav Mundra
Sister	Anubha Saboo	NA*
Brother	-	NA*
Spouse's Father	NA*	Dwarka Das Mundhra
Spouse's Mother	NA*	Sunita Devi Mundhra
Spouse's Sister	NA*	Anubha Saboo
Spouse's Brother	NA*	-

*Disassociation of certain immediate relatives from Promoter Group by Promoters:

The Promoter Group of our Company does not include certain relatives of our Promoters and/or any entities in which they jointly or severally may have an interest. The below mentioned persons are immediate relatives of our Promoters, Anuj Mundra and Vandna Mundra but as such, do not form part of the Promoter Group of the Company. Moreover, the aforesaid relatives do not own shareholding in our Company and are also not involved in the business of our Company. Though our Company on August 04, 2016 has individually addressed letters to all the natural persons as disclosed by the Promoters which fall under definition of “promoter group” prescribed under Regulation 2(1) (zb) of the SEBI (ICDR) Regulations, 2009, asking for necessary disclosure. However, we have not received any response and therefore, the disclosures made in this Prospectus are limited to the extent of information that has been provided by our Promoters in relation to promoter group entities.

Such persons include:

- Basant Kumar Laddha (Father of Vandana Mundra)
- Kanta Devi Laddha (Mother of Vandana Mumdra)
- Jayesh Laddha (Brother of Vandana Mumdra)
- Prerna Maheshwari (Sister of Vandana Mumdra)

B. In case of our Individual Promoters

Nature of Relationship	Entity
Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member	Nil
Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital	Nil
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10%	AB Investments

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
Anuj Mundra	Vandna Mundra	Husband – Wife
Anuj Mundra	Sunita Devi Mundra	Son – Mother
Vandna Mundra	Sunita Devi Mundra	Daughter in Law- Mother in Law

CHANGES IN CONTROL

Anuj Mundra and Vandna Mundra are the promoters of our Company since incorporation and till date of this Prospectus, there has been no change in the management or control of our Company.

OUR GROUP COMPANIES

The definition of group companies was amended pursuant to the SEBI (ICDR) Regulations, to include companies covered under applicable accounting standards, being Accounting Standard 18 and such other companies as are considered material by our Board. Pursuant to a resolution dated August 24, 2016, our Board has formulated the Policy for identification as 'Group Entities' in terms of the SEBI ICDR Regulations and disclosure in this Prospectus.

For avoidance of doubt, it is clarified that our Subsidiaries shall not be considered as Group Entities.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to *Annexure XXII* of restated financial statement under the section titled, *Financial Statements as restated* beginning on page 187 of this 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.

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-STATED

Independent Auditors Report for the Restated Financial Statements of
Nandani Creation Limited

The Board of Directors
Nandani Creation Limited,
F-95, Kartarpura Industrial Area,
Near 22 Godam,
Jaipur 302006.

Dear Sirs,

1. We have examined the attached restated summary statement of assets and liabilities of **Nandani Creation Limited**, (hereinafter referred to as “**the Company**”) as at March 31, 2016, 2015, 2014 and 2013, restated summary statement of profit and loss and restated summary statement of cash flows for the financial year ended on March 31, 2016, 2015, 2014 and for the financial period ended on March 31, 2013 (collectively referred to as the “**restated summary statements**” or “**restated financial statements**”) annexed to this report and initialed by us for identification purposes. These restated financial statements have been prepared by the management of the Company and approved by the Board of Directors of the company in connection with the proposed Initial Public Offering (IPO) on EMERGE Platform of National Stock Exchange of India Limited (“**NSE**”).
2. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (“**the Act**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (“**ICDR Regulations**”) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“**SEBI**”).
3. We have examined such restated financial statements taking into consideration:
 - (i) The terms of reference to our engagement letter dated June 14, 2016 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in EMERGE Platform of National Stock Exchange of India Limited (“**IPO**”); and
 - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”).
4. The restated financial statements of the Company have been extracted by the management from the audited financial statements of the Company for the year ended on March 31, 2016, 2015, 2014 and period ended 2013.
5. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- (i) The “**restated statement of assets and liabilities**” of the Company as at March 31, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure I** to this report read with significant accounting policies and notes to restated summary statements in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (ii) The “**restated statement of profit and loss**” of the Company for the financial year ended on March 31, 2016, 2015, 2014 and for the financial period ended March 31, 2013 examined by us, as set out in **Annexure II** to this report read with significant accounting policies and notes to restated summary statements in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (iii) The “**restated statement of cash flows**” of the Company for the financial year ended on March 31, 2016, 2015, 2014 and for the financial period ended March 31, 2013 examined by us, as set out in **Annexure III** to this report read with significant accounting policies and notes to restated summary statements in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
6. Based on our examination, we are of the opinion that the restated financial statements have been prepared:
 - a) Using consistent accounting policies for all the reporting periods.
 - b) Making adjustments for prior period and other material amounts in the respective financial years to which they relate.
 - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - d) There are no audit qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended on March 31, 2016, 2015, 2014 and for the financial period ended March 31, 2013 which would require adjustments in this restated financial statements of the Company.
7. Audit for the financial year ended on March 31, 2016, 2015, 2014 and for the financial period ended on March 31, 2013 was conducted by Ashok Holani & Co. The financial report included for these years is based solely on the report submitted by them. Further financial statements for the financial year ended on March 31, 2016 have been reaudited by us as per the relevant guidelines.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year ended on March 31, 2016, 2015, 2014 and 2013 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

Annexure to restated financial statements of the Company:-

1. Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
 2. Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
 3. Summary statement of cash flows as restated as appearing in ANNEXURE III;
 4. Significant accounting policies and notes to restated summary statements as appearing in ANNEXURE IV;
 5. Details of share capital as restated as appearing in ANNEXURE V to this report;
 6. Details of reserves and surplus as restated as appearing in ANNEXURE VI to this report;
 7. Details of long term borrowings as restated as appearing in ANNEXURE VII to this report;
 8. Details of long term provisions as restated as per ANNEXURE VIII to this report;
 9. Details of short term borrowings as restated as appearing in ANNEXURE IX to this report;
 10. Details of trade payables as restated as appearing in ANNEXURE X to this report;
 11. Details of other current liabilities as restated as appearing in ANNEXURE XI to this report;
 12. Details of short term provisions as restated as appearing in ANNEXURE XII to this report;
 13. Details of fixed assets as restated as appearing in ANNEXURE XIII to this report;
 14. Details of deferred tax asset/liability as restated as per ANNEXURE XIV to this report;
 15. Details of long term loans and advances as restated as appearing in ANNEXURE XV to this report;
 16. Details of inventories as restated as appearing in ANNEXURE XVI to this report;
 17. Details of trade receivables as restated as appearing in ANNEXURE XVII to this report;
 18. Details of cash and cash equivalents as restated as appearing in ANNEXURE XVIII to this report;
 19. Details of short term loans and advances as restated as appearing in ANNEXURE XIX to this report;
 20. Details of revenue from operations as restated as appearing in ANNEXURE XX to this report;
 21. Details of other income as restated as appearing in ANNEXURE XXI to this report;
 22. Details of related party transactions as restated as appearing in ANNEXURE XXII to this report;
 23. Summary of significant accounting ratios as restated as appearing in ANNEXURE XXIII to this report;
 24. Capitalisation statement as at August 20, 2016 as restated as appearing in ANNEXURE XXIV to this report;
 25. Statement of tax shelters as restated as appearing in ANNEXURE XXV to this report;
9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
 10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 11. In our opinion, the above financial information contained in Annexure I to XXV of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.

12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

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

(CA Bankim Jain)
Partner
Membership No.139447
Mumbai, August 24, 2016

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED
Annexure I
(Rs. in Lakhs)

Sr. No.	Particulars	For the year ended March 31,			
		2016	2015	2014	2013
	EQUITY AND LIABILITIES				
1)	<u>Shareholders Funds</u>				
	a. Share Capital	9.00	9.00	9.00	1.00
	b. Reserves & Surplus	50.00	4.63	1.30	0.19
2)	Share Application Money Pending Allotment	-	-	-	-
3)	<u>Non Current Liabilities</u>				
	a. Long Term Borrowings	111.86	62.57	27.82	0.50
	b. Long Term Provisions	5.06	5.78	1.38	0.09
4)	<u>Current Liabilities</u>				
	a. Short Term Borrowings	128.15	18.31	26.13	-
	b. Trade Payables	198.34	100.17	85.75	30.27
	c. Other Current Liabilities	13.90	5.22	0.95	0.69
	d. Short Term Provisions	14.76	0.11	0.47	0.11
	T O T A L	531.07	205.79	152.80	32.85
	ASSETS				
1)	<u>Non Current Assets</u>				
	a. Fixed Assets				
	i. Tangible Assets	24.39	4.67	3.74	0.12
	Less: Accumulated Depreciation	3.91	1.57	0.36	-
	Net Block	20.48	3.10	3.38	0.12
	b. Deferred Tax Assets (Net)	1.19	1.83	0.34	0.03
	c. Long Term Loans & Advances	2.42	0.38	0.38	-
2)	<u>Current Assets</u>				
	a. Inventories	147.36	56.72	69.51	11.04
	b. Trade Receivables	349.17	137.96	76.39	18.58
	c. Cash and Cash Equivalents	10.23	5.51	1.97	2.81
	d. Short Term Loans & Advances	0.22	0.27	0.81	0.28
	T O T A L	531.07	205.79	152.80	32.85

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

For and on behalf of Board of Director

(Director)

(Director)

(CA Bankim Jain)
Partner
Membership No.139447

Chief Financial Officer

Mumbai, August 24, 2016

STATEMENT OF PROFIT AND LOSS AS RESTATED
Annexure II
(Rs. in Lakhs)

Sr. No.	Particulars	For the year/period ended March 31,			
		2016	2015	2014	2013
A	INCOME				
	Revenue from Operations	1,418.64	480.12	189.28	59.20
	Other Income	1.18	2.37	0.44	0.00
	Total Income (A)	1,419.82	482.49	189.72	59.20
B	EXPENDITURE				
	Cost of Materials Consumed	320.68	172.03	60.22	32.08
	Purchase of Stock in Trade	241.53	48.98	17.15	1.04
	Changes in inventories of finished goods, traded goods and work-in-progress	(97.96)	(9.91)	(19.52)	(10.55)
	Employee benefit expenses	77.66	79.79	26.86	0.60
	Finance costs	14.75	6.83	1.87	-
	Depreciation and amortisation expense	2.34	1.21	0.36	-
	Other Expenses	795.09	178.74	101.04	35.76
	Total Expenses (B)	1,354.09	477.67	187.98	58.93
C	Profit before exceptional, extraordinary items and tax (A-B)	65.73	4.82	1.74	0.27
	Exceptional items	-	-	-	-
	Profit before extraordinary items and tax	65.73	4.82	1.74	0.27
	Extraordinary items	-	-	-	-
D	Profit before tax	65.73	4.82	1.74	0.27
	<i>Tax expense :</i>				
	(i) Current tax	19.71	2.98	0.94	0.11
	(ii) Deferred tax	0.65	(1.49)	(0.31)	(0.03)
E	Total Tax Expense	20.36	1.49	0.63	0.08
F	Profit for the year (D-E)	45.37	3.33	1.11	0.19

For R T Jain & Co.
Chartered Accountants
Firm Registration No.103961W
For and on behalf of Board of Director
(CA Bankim Jain)
Partner
Membership No.139447
Mumbai, August 24, 2016
(Director)
(Director)
Chief Financial Officer

STATEMENT OF CASH FLOWS AS RESTATED

Annexure III
(Rs. in Lakhs)

Particulars	For the year/period ended March 31,			
	2016	2015	2014	2013
Cash Flow From Operating Activities:				
Net Profit before tax as per Statement of Profit And Loss	65.73	4.82	1.73	0.27
Adjustments for:				
Provision for Gratuity	-	4.48	1.32	0.10
Provision for Gratuity written back	(0.74)	-	-	-
Depreciation & Amortisation Expense	2.34	1.21	0.36	-
Interest Expense	14.75	6.83	1.87	-
Interest Income	(0.04)	-	-	-
Operating Profit Before Working Capital Changes	82.04	17.34	5.28	0.37
Adjusted for (Increase)/ Decrease in:				
Inventories	(90.64)	12.79	(58.47)	(11.04)
Trade Receivables	(211.22)	(61.58)	(57.81)	(18.58)
Loans & Advances	(1.98)	0.54	(0.91)	(0.28)
Trade Payables	98.17	14.42	55.47	30.27
Other Current Liabilities & Provisions	58.27	3.85	0.60	0.69
Cash Generated From Operations Before Extra-Ordinary Items	(65.36)	(12.64)	(55.84)	1.43
Add:- Extra-Ordinary Items	-	-	-	-
Cash Generated From Operations	(65.36)	(12.64)	(55.84)	1.43
Net Income Tax paid	(19.74)	(3.00)	(0.96)	-
Net Cash Flow from/(used in) Operating Activities: (A)	(85.10)	(15.64)	(56.80)	1.43
Cash Flow From Investing Activities:				
Purchase of Fixed Assets (including capital work in progress)	(19.72)	(0.92)	(3.62)	(0.12)
Interest Income	0.04	-	-	-
Net Cash Flow from/(used in) Investing Activities: (B)	(19.68)	(0.92)	(3.62)	(0.12)
Cash Flow from Financing Activities:				
Proceeds From issue of Share Capital	-	-	8.00	1.00
Net Increase/(Decrease) in Borrowings	124.23	26.92	53.45	0.50
Interest paid	(14.75)	(6.83)	(1.87)	-
Net Cash Flow from/(used in) Financing Activities (C)	109.49	20.09	59.58	1.50

Particulars	2016	2015	2014	2013
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	4.70	3.53	(0.83)	2.81
Cash & Cash Equivalents As At Beginning of the Year	5.51	1.98	2.81	-
Cash & Cash Equivalents As At End of the Year	10.21	5.51	1.97	2.81

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

For and on behalf of Board of Director

(Director)

(Director)

(CA Bankim Jain)
Partner
Membership No.139447

(Chief Financial Officer)

Mumbai, August 24, 2016

ANNEXURE IV

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO RESTATED SUMMARY STATEMENTS

ANNEXURE IVA

RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

CORPORATE INFORMATION

Nandani Creation Limited was incorporated in the year 2012 and it is engaged in manufacturing and trading of Kurtis, Sarees, Salwar Suits and Women's Apparels.

A. Basis of preparation of restated financial statements:

The restated summary statement of assets and liabilities of the Company as at March 2016, 2015, 2014 and 2013 and the related restated summary statement of profits and loss and restated summary statement of cash flows for the years ended on March 31, 2016, 2015, 2014 and for the financial period ended on March 31, 2013 (herein collectively referred to as ('restated summary statements')) have been compiled by the management from the audited financial statements of the Company for the years ended on March 31, 2016, 2015, 2014 and for the financial period ended on March 31, 2013, approved by the Board of Directors of the Company. Restated summary statements have been prepared to comply in all material respects with the provisions of sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014; Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised). Restated summary statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the EMERGE Platform of NSE in connection with its proposed initial public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated summary statements.

B. Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect amounts in the financial statements and reported notes thereto. Actual results could differ from these estimates. Differences between the actual result and estimates are recognized in periods in which the results are known/ materialized.

C. Fixed Assets:

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

D. Depreciation:

Depreciation on fixed assets for the year ended on March 31, 2014 and period ended March 31, 2013 is calculated on WDV basis for all tangible assets using the rates prescribed under Schedule XIV of the Companies Act, 1956. Depreciation on fixed assets for the year commencing on or after 1st April, 2014 is calculated on WDV basis using useful life of assets prescribed under Schedule II of the Companies Act, 2013.

E. Valuation of Inventories:

Cost of inventory includes all cost of purchases and other cost incurred in bringing the inventories to their present location and condition.

Inventory for manufactured goods is valued as under:-

Raw Material	– At cost or net realizable value whichever is less.
Work in Progress	– At cost or net realizable value whichever is less.
Finished Goods	– At cost or net realizable value whichever is less.

Inventory of traded goods is valued at cost or net realizable value whichever is lower.

F. Valuation of Investments:

- i. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.
- ii. Current Investments are carried at lower of cost and fair value determined on an individual investment basis.
- iii. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

G. Revenue Recognition:

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from OperationsSale of Manufactured / Traded Goods

Sale of manufactured / traded goods/material is recognized as revenue when significant risk and rewards of ownership relating to the goods are transferred to the buyer.

Revenue from Other Sources

Other Income have been recognized on accrual basis.

H. Employee Benefits:**i. Short Term Employee Benefits:**

All employee benefits payable within twelve months of rendering of services are classified as short term benefits. Benefits include salaries, wages, awards, ex-gratia, performance pay, etc. and are recognized in the period in which the employee renders the related service. Liability on account of encashment of leave, Bonus to employee is considered as short term compensated expense provided on actual.

ii. Post Employment Benefit :Defined Benefit Plan:

Provision for gratuity is assessed on actuarial basis and is provided accordingly.

I. Earning Per Share

Basic earning per share is computed by dividing the net profit after tax for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is computed by dividing the net profit after tax for the year after prior period adjustments attributable to equity shareholders and potential equity shareholders by the weighted average number of equity shares outstanding during the year plus weighted average number of potential equity shares outstanding at the end of the year .

J. Taxation & Deferred Tax

Provision for current tax is made in accordance with the provision of Income Tax Act, 1961. Deferred tax is recognized on timing differences between taxable and accounting income / expenditure that originates in one period and are capable of reversal in one or more subsequent period(s).

K. Contingent Liabilities / Provisions

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.

ANNEXURE – IV (B)

NOTES ON RECONCILIATION OF RESTATED PROFITS

(Rs in Lakhs)

Adjustments for	2015-16	2014-15	2013-14	21/02/2012-31/03/2013
Net profit/(loss) after tax as per audited statement of profit and loss	44.84	6.40	2.00	0.25
<u>Adjustments for:</u>				
Provision for Gratuity	0.74	(4.48)	(1.32)	(0.10)
Provision for current tax	0.03	0.02	0.02	-
Deferred Tax Asset/(Liability)	(0.23)	1.39	0.41	0.03
Net profit/ (loss) after tax as restated	45.38	3.33	1.11	0.18

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years.

Adjustments having impact on Profit

1. Provision for Gratuity – Provision for gratuity liability has been made in all years covered for restatement as per Actuarial Valuation Report and liability provided in the respective year in which such liability has arisen as per Accounting Standard 15: Employee Benefits.

2. Provision for current tax– Provision for current tax has been calculated on restated profit before tax.

3. Deferred Tax – Deferred tax asset / (liability) has been recognized on gratuity provision.

Adjustments having no impact on Profit

Valuation of Inventory

The Company contends that due to its nature of business of trading and manufacturing in numerous items of women wear of different grades, sizes, qualities and mix, it is not possible and feasible to maintain day to day quantitative records of production, purchase and sales. However physical verification of stock was carried out at regular intervals. Accordingly the details of closing stock are taken on the basis of particulars given by the management and certified by them as correct.

Material Regrouping

W.e.f, April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Company for preparation and presentation of its financial statements. The adoption of Schedule III does not impact recognition and measurement principles followed for preparation of financial statements.

There is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI. Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

DETAILS OF SHARE CAPITAL AS RESTATED

Annexure V

(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
EQUITY SHARE CAPITAL :				
AUTHORISED:				
Equity Shares of Rs. 10 each with 1 Voting Right	10.00	10.00	10.00	1.00
	10.00	10.00	10.00	1.00
ISSUED, SUBSCRIBED AND PAID UP				
Equity Shares of Rs. 10 each	9.00	9.00	9.00	1.00
	9.00	9.00	9.00	1.00

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

Particulars	As at March 31,			
	2016	2015	2014	2013
Equity Shares at the beginning of the year	90,000	90,000	10,000	10,000
Add: Shares issued during the year	-	-	80,000	-
TOTAL	90,000	90,000	90,000	10,000

Details of Shareholders holding more than 5% of the aggregate shares of the company:

Name of Shareholders	As at March 31,2016		As at March 31,2015		As at March 31,2014		As at March 31,2013	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Anuj Mundra	32,600	36.22%	32,500	36.11%	32,500	36.11%	2,500	25.00%
Vandna Mundra	55,000	61.11%	55,100	61.22%	55,100	61.22%	5,100	51.00%
Sunita Devi Mundhra	-	-	-	-	-	-	2,400	24.00%

DETAILS OF RESERVES AND SURPLUS AS RESTATED
Annexure VI
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
<u>Surplus in Statement of Profit and Loss</u>				
Opening Balance	4.63	1.30	0.19	-
Add: Net Profit / (Loss) after Tax for the year / period	45.37	3.33	1.11	0.19
TOTAL	50.00	4.63	1.30	0.19

DETAILS OF LONG TERM BORROWINGS AS RESTATED
Annexure VII
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
Secured				
Vehicle Loan				
-From Banks	9.37	-	-	-
Unsecured				
-Loan From Related Parties	78.49	38.57	0.61	0.50
-Loan From Others	24.00	24.00	27.21	-
TOTAL	111.86	62.57	27.82	0.50

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS:

Nature of Security	
Vehicle loan from HDFC Bank for Rs. 11 Lakhs is secured by hypothecation of Vehicle for which Loan is taken	Loan is repayable in 60 equated instalments
Unsecured Loan taken from taken from related parties and others are without any stipulation w.r.t to terms of repayment as no loan agreement for the same has been entered into between the Company and the lender	

DETAILS OF LONG TERM PROVISIONS AS RESTATED
Annexure VIII
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
Provision for Gratuity	5.06	5.78	1.38	0.09
TOTAL	5.06	5.78	1.38	0.09

DETAILS OF SHORT TERM BORROWINGS AS RESTATED
Annexure IX
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
Secured				
Cash Credit				
-From Banks	93.25	18.31	26.13	-
Unsecured				
-From Others	34.90	-	-	-
TOTAL	128.15	18.31	26.13	-

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS:

Nature of Security
Cash Credit from Axis Bank is secured by hypothecation of entire current assets and is further secured by personal guarantee of directors.
Unsecured loan from Neo Growth Credit Private Limited for Rs. 42 Lacs is repayable in 24 installments on fortnightly basis.

DETAILS OF TRADE PAYABLES AS RESTATED
Annexure X
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
Due to micro, small and medium enterprises	-	-	-	-
Others	198.34	100.17	85.75	30.27
TOTAL	198.34	100.17	85.75	30.27

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED
Annexure XI
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
Current Maturities of Long term Debt	1.63	-	-	-
Statutory Dues Payable	9.41	2.82	0.89	0.60
Employee Benefits Payable	2.86	2.40	-	-
Creditors for Expenses	-	-	0.06	0.09
TOTAL	13.90	5.22	0.95	0.69

DETAILS OF SHORT TERM PROVISIONS AS RESTATED
Annexure XII
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
Provision for Gratuity	0.09	0.11	0.03	-
Provision for Taxes	14.67	-	0.44	0.11
TOTAL	14.76	0.11	0.47	0.11

DETAILS OF FIXED ASSETS AS RESTATED
Annexure XIV
(Rs. in Lakhs)

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 21.02.2012	ADDITIO NS	DEDUCTIO NS	AS AT 31.03.201 3	UPTO 21.02.201 2	FOR THE YEAR	DEDUCTIO NS / ADJUSTMEN TS	UPTO 31.03.201 3	AS AT 31.03.201 3	AS AT 31.03.201 2
Tangible Assets										
Computer	0.01	-	-	0.01	-	-	-	-	0.01	-
Generator	0.11	-	-	0.11	-	-	-	-	0.11	-
Grand Total	0.12	-	-	0.12	-	-	-	-	0.12	-

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.201 3	ADDITIO NS	DEDUCTIO NS	AS AT 31.03.201 4	UPTO 01.04.201 3	FOR THE YEA R	DEDUCTIONS / ADJUSTMENT S	UPTO 31.03.201 4	AS AT 31.03.201 4	AS AT 31.03.201 3
Tangible Assets										
Computer	0.01	2.04	-	2.05	-	0.05	-	0.05	2.00	0.01
Generator	0.11	0.11	-	0.21	-	0.04	-	0.04	0.17	0.11
Air Conditioner	-	0.63	-	0.63	-	0.04	-	0.04	0.59	-
Furniture & Fixtures	-	0.85	-	0.85	-	0.23	-	0.23	0.62	-
Grand Total	0.12	3.63	-	3.74	-	0.36	-	0.36	3.38	0.12

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.201 4	ADDITION S	DEDUCTION S	AS AT 31.03.201 5	UPTO 01.04.201 4	FOR THE YEA R	DEDUCTIONS / ADJUSTMENT S	UPTO 31.03.201 5	AS AT 31.03.201 5	AS AT 31.03.201 4
Tangible Assets										
Computer	2.05	-	-	2.05	0.05	0.36	-	0.42	1.64	2.00
Generator	0.21	-	-	0.21	0.04	0.05	-	0.09	0.13	0.17
Air Conditioner	0.63	0.29	-	0.92	0.04	0.36	-	0.40	0.52	0.59
Furniture & Fixtures	0.85	0.64	-	1.48	0.23	0.44	-	0.67	0.81	0.62
Grand Total	3.74	0.93	-	4.66	0.36	1.21	-	1.58	3.10	3.38

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.201 5	ADDITION S	DEDUCTION S	AS AT 31.03.201 6	UPTO 01.04.201 5	FOR THE YEA R	DEDUCTIONS / ADJUSTMENT S	UPTO 31.03.201 6	AS AT 31.03.201 6	AS AT 31.03.201 5
Tangible Assets										
Computer	2.05	-	-	2.05	0.42	0.30	-	0.71	1.34	1.64
Generator	0.21	0.47	-	0.68	0.09	0.56	-	0.13	0.55	0.13
Air Conditioner	0.92	1.57	-	2.49	0.40	1.40	-	0.96	1.54	0.52
Furniture & Fixtures	1.48	4.09	-	5.58	0.67	1.40	-	2.07	3.50	0.81
Car & Motor Cycle	-	13.58	-	13.58	-	0.03	-	0.03	13.55	-
Grand Total	4.66	19.71	-	24.38	1.58	3.69	-	3.90	20.48	3.10

DETAILS OF DEFERRED TAX ASSET/(LIABILITY) AS RESTATED **Annexure XIV**
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
Deferred Tax Liability				
Related to WDV of Fixed Assets	(0.41)	-	(0.10)	-
Deferred Tax Assets				
Related to WDV of Fixed Assets	-	0.01	-	-
Related to Expense disallowed under IT Act	1.59	1.82	0.44	0.03
Deferred Tax Asset/(Liability) (net) after adjustments	1.18	1.83	0.34	0.03

DETAILS OF LONG TERM LOANS AND ADVANCES AS RESTATED **Annexure XV**
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
Security Deposit	0.24	0.36	0.36	-
Loans & Advances to Employees	1.16	-	-	-
Other (Advance recoverable In cash and Kind)	1.02	0.02	0.02	-
TOTAL	2.42	0.38	0.38	-

DETAILS OF INVENTORIES AS RESTATED
Annexure XVI
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
Raw Materials	9.43	16.74	39.44	0.49
Finished goods	137.93	39.98	30.07	10.55
TOTAL	147.36	56.72	69.51	11.04

DETAILS OF TRADE RECEIVABLES AS RESTATED
Annexure XVII
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
<u>Unsecured, considered good</u>				
- Outstanding for more than Six Months				
From related party	-	-	-	-
From others	138.66	1.27	13.28	18.58
- Other Debts				
From related party	-	-	-	-
From others	210.51	136.69	63.11	-
TOTAL	349.17	137.96	76.39	18.58

DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED
Annexure XVIII
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
Cash In Hand	8.94	0.52	0.59	1.71
Balance with Scheduled Banks	1.29*	4.99	1.38	1.10
TOTAL	10.23	5.51	1.97	2.81

* Balance with schedule banks includes bank deposits of Rs 1.02 Lakhs which is in the form of bank guarantee.

DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED Annexure XIX
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
Balance With Govt authorities	-	0.13	-	-
Security Deposits	-	-	-	0.26
Prepaid Expenses	0.20	-	0.81	-
Advances to Suppliers	0.02	0.09	-	-
Other Advances	-	0.05	-	0.02
TOTAL	0.22	0.27	0.81	0.28

DETAILS OF REVENUE FROM OPERATIONS AS RESTATED
Annexure XX
(Rs. in Lakhs)

Particulars	As at March 31,			
	2016	2015	2014	2013
Sales of manufactured goods	1,068.00	412.51	165.73	58.67
Sales of traded goods	350.31	58.78	23.55	0.53
Sales of services	0.33	8.84	-	-
Sale of products not normally dealt in	-	-	-	-
TOTAL	1,418.64	480.12	189.28	59.20

DETAILS OF OTHER INCOME AS RESTATED
Annexure XXI
(Rs. in Lakhs)

Particulars	For the year/period ended March 31,			
	2016	2015	2014	2013
Other income	1.18	2.37	0.44	0.00
Net Profit Before Tax as Restated	65.73	4.82	1.73	0.27
Percentage	1.80%	49.17%	25.43%	0.04%

Source of Income

Particulars	For the year ended March 31,				Nature
	2016	2015	2014	2013	
Discount Received	0.40	2.37	0.39	0.00	Recurring and related to business activity.
Provision for Gratuity Written Back	0.74	-	-	-	Non - recurring and not related to business activity.
Interest Income	0.04	-	-	-	Recurring and not related to business activity.
Miscellaneous Income	-	-	0.05		Non - recurring and not related to business activity.
Total Other income	1.18	2.37	0.44	0.00	

DETAILS OF RELATED PARTY TRANSACTIONS AS RESTATED

Annexure XXII

(Rs. in Lakhs)

Particulars	Nature of Relationship	Nature of Transaction	Amount of transaction during the year ended March 31, 2016	Amount outstanding as on March 31, 2016 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2015	Amount outstanding as on March 31, 2015 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2014	Amount outstanding as on March 31, 2014 (Payable)/ Receivable	Amount of transaction during the period ended March 31, 2013	Amount outstanding as on March 31, 2013 (Payable)/ Receivable
Anuj Mundra	Director	Director Remuneration	1.20	(32.13)	1.20	(18.13)	1.20	(1.81)	-	(0.50)
		Office Rent	10.80	-	-	-	-	-	-	-
		Loan taken	7.00	-	17.30	-	0.11	-	0.50	-
		Loan Repaid	5.00	-	2.19	-	-	-	-	-
		Share Allotment	-	-	-	-	3.00	-	-	-
Vandana Mundra	Director	Director Remuneration	3.60	(13.79)	3.60	(6.88)	3.60	(3.60)	0.50	-
		Loan taken	13.85	-	-	-	-	-	-	-
		Loan Given	-	-	0.49	-	5.00	-	-	-
		Loan Repaid	10.54	-	0.49	-	5.00	-	-	-
		Share Allotment	-	-	-	-	5.00	-	-	-
Sunita Mundra	Director	Director Remuneration	3.60	(14.57)	3.60	(6.97)	3.60	(3.60)	-	-
		Loan taken	14.65	-	-	-	-	-	-	-
		Loan Repaid	10.64	-	-	-	-	-	-	-
		Share Allotment	-	-	-	-	-	-	0.24	-
Dwarka dass Mundra	Relative of Director	Salary	3.60	1.16	3.60	(6.60)	3.60	(3.60)	-	-
		Advance Salary	1.16	-	-	-	-	-	-	-

Particulars	Nature of Relationship	Nature of Transaction	Amount of transaction during the year ended March 31, 2016	Amount outstanding as on March 31, 2016 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2015	Amount outstanding as on March 31, 2015 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2014	Amount outstanding as on March 31, 2014 (Payable)/ Receivable	Amount of transaction during the period ended March 31, 2013	Amount outstanding as on March 31, 2013 (Payable)/ Receivable
		Loan	-	-	-	-	-	-	-	-
Nandani Creation	Director's Concern	Factory Rent	3.00	(107.30)	3.00	(44.65)	3.00	(45.97)	3.00	(27.68)
		Job Charges	61.54	-	44.78	-	48.99	-	24.82	-
		Purchases	156.07	-	27.90	-	1.56	-	23.72	-
		Loan taken	298.26	-	99.41	-	70.71	-	-	-
		Loan	(18.00)	-	0.00	-	17.17	-	-	-

SUMMARY OF SIGNIFICANT ACCOUNTING RATIOS AS RESTATED Annexure XXIII

(Rs. in Lakhs)

Particulars	For the year/period ended March 31,			
	2016	2015	2014	2013
Profit after Tax as per Restated	45.37	3.33	1.11	0.19
Weighted Average Number of Equity Shares at the end of the Year	90,000	90,000	15,479	10,000
Add: Impact of issue of bonus shares after March 31, 2016	4,50,000	4,50,000	4,50,000	4,50,000
Weighted Average Number of Equity Shares at the end of the Year/ period after issue of bonus shares	5,40,000	5,40,000	4,65,479	4,60,000
Number of Equity Shares outstanding at the end of the Year/Period	90,000	90,000	90,000	10,000
Add: Impact of issue of bonus shares after March 31, 2016	4,50,000	4,50,000	4,50,000	4,50,000
Number of Equity Shares at the end of the Year/ period after issue of bonus shares	5,40,000	5,40,000	5,40,000	4,60,000
Net Worth	59.00	13.63	10.30	1.19
Earnings Per Share				
Basic & Diluted	8.40	0.62	0.24	0.04
Return on Net Worth (%)	76.90%	24.43%	10.78%	15.97%
Net Asset Value Per Share (Rs) – before bonus	65.56	15.14	11.44	11.90
Net Asset Value Per Share (Rs) – after bonus	10.93	2.52	1.91	0.26
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00

1. Ratios have been calculated as below

Basic and Diluted Earnings Per Share (EPS) (Rs.)	$\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Weighted Average Number of Equity Shares at the end of the year / period}}$
Return on Net Worth (%)	$\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Restated Net Worth of Equity Shareholders}}$
Net Asset Value per equity share (Rs.)	$\frac{\text{Restated Net Worth of Equity Shareholders}}{\text{Number of Equity Shares outstanding at the end of the year / period}}$

2. The Company has issued 4,50,000 bonus shares on May 11, 2016 in the ratio of five equity shares for every one equity share held.

CAPITALISATION STATEMENT AS AT AUGUST 20, 2016 AS RESTATED

Annexure XXIV

(Rs. in Lakhs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	128.15	128.15
Long Term Debt (B)	53.49	53.49
Total debts (C)	181.64	181.64
Shareholders' funds		
Equity share capital	150.56	294.96
Reserve and surplus - as restated	108.80	317.72
Total shareholders' funds	259.36	612.68
Long term debt / shareholders funds	0.21	0.09
Total debt / shareholders funds	0.70	0.29

Notes:

1. The following allotments made after March 31, 2016 till date of Prospectus has also been taken into consideration while calculating Pre Issue borrowings and Shareholders' funds:

- 4,50,000 Equity shares were issued as bonus shares on May 11, 2016 in the ratio of 5 Equity Shares for every 1 Equity share held.
- 3,00,000 Equity shares allotted on May 13, 2016 of face value of Rs. 10 each issued at a premium of Rs. 10 per share by way of conversion of unsecured loan.
- 5,75,000 Equity shares allotted on August 1, 2016 of face value of Rs. 10 each issued at a premium of Rs. 10 per share by way of conversion of unsecured loan.
- 90,580 Equity shares allotted on August 20, 2016 of face value of Rs. 10 each issued at a premium of Rs. 18 per share.

2. The post-Issue debt is considered to be same as pre-Issue debt.

3. Based on the information provided by the management, estimated Issue Related expense of Rs. 51 lakhs has been deducted from Reserves & Surplus as shown in post issue capital.

STATEMENT OF TAX SHELTERS AS RESTATED
Annexure XXV
(Rs. in Lakhs)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Period ended March 31, 2013
Profit before tax as per restated (A)	65.73	4.82	1.73	0.27
Tax Rate (%)	30.90%	30.90%	30.90%	30.90%
MAT Rate (%)	19.06%	19.06%	19.06%	19.06%
Tax at notional rate on profits	20.31	1.49	0.54	0.08
Adjustments :				
Permanent Differences(B)				
Donation	0.12	-	-	-
ROC Fees for Increase in Capital	-	-	0.31	-
Allowance u/s 35D	(0.06)	(0.06)	(0.06)	-
Penalty	-	-	0.04	-
Interest on Late Payment of Income Tax	0.08	0.07	-	-
Total Permanent Differences(B)	0.14	0.01	0.29	-
Timing Differences (C)	-	-	-	-
Difference between tax depreciation and book depreciation	(1.35)	0.35	(0.31)	-
Difference due to expenses allowable/disallowable u/s 43B	-	4.48	1.32	0.10
Provision for Gratuity*	(0.74)	-	-	-
Total Timing Differences (C)	(2.09)	4.83	1.01	0.10
Net Adjustments D = (B+C)	(1.95)	4.84	1.30	0.10
Tax expense / (saving) thereon	(0.60)	1.50	0.40	0.03
Taxable Income/(Loss) (A+D)	63.78	9.66	3.03	0.37
Taxable Income/(Loss) as per MAT	65.73	4.82	1.73	0.27
Income Tax as returned/computed	19.71	2.98	0.94	0.11
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal

*Reversal of provision of Gratuity during the year is allowed as deduction as the provision for gratuity is disallowed under section 43B in last years.

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

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the financial years ended March 31, 2016, 2015, 2014 and for the financial period ended March 31, 2013 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 as Restated" on page 187 of this 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 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 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 16 and 15 respectively of this Prospectus.

Our Company was incorporated on February 21, 2012 and has completed more than four 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 financial years ended March 31, 2016, 2015, 2014 and for the financial period ended 2013 respectively.

OVERVIEW

Our Company Nandani Creation Limited, incorporated in the year 2012, is engaged in manufacturing and marketing of women apparels like kurtis, sarees, ethnic tops, palazzo, patiala salwar suits, dupattas, quilted jackets, dress material, etc. We are popularly known and identified in apparel market by our brand name "Jaipurkurti.com". Our brand is best known for its ethnic wear, kurtis with traditional designs having wide range of colour, patterns and sizes. We distribute our products by following e-retail model and have developed a sustainable business model over the period.

Founded by Anuj Mundra and Vandna Mundra, our promoters have adequate experience in the line of business and looks after strategic as well as day to day business operations. Our company started its commercial production in the F.Y. 2012-13 with an Annual Turnover of Rs. 59.20 Lakhs; thereby growing manifold in past four years and recently recorded an Annual Turnover of Rs. 1418.64 lakhs for the F.Y. 2015-16. Brand development and customer loyalty are one of the key factors of success in our industry. Our brand has been well received upto now and we shall, continue to endeavour to build brand equity by supplying qualitative products at competitive prices. Our Company is also registered as SSI – Micro Unit with DIC, Jaipur.

Our registered office and manufacturing unit is situated at F-95, Kartarpura Industrial Area, Near 22 Godam, Jaipur – 302006. We have our design studio and production house with a team of professionals in the department. Our registered office and manufacturing unit is spread over 790 square yards, with all necessary facilities. Recently we have invested in Desi Fusion Private Limited and made it a subsidiary of our Company. Our subsidiary company is engaged in the business of dyeing and printing of grey fabric. We procure the finished goods of subsidiary Company as our raw materials and further process into apparel as per on-going trends suggested by designer team. This gives us advantage of an integrated manufacturing process.

The products such as kurtis and kurtas are processed at our current manufacturing unit. Due to the diversified product range, we follow the asset-light model and job work the remaining products to the

third-party manufacturers. For facilitating ease in distribution, we also have branch offices located at Hyderabad and Gurgaon.

For e-retailing our products, we have developed our own website www.jaipurkurti.com and also have tie-ups with major e-commerce players. E-retailing has enabled us to reach wide number of consumers at reduced costs, enhanced our brand visibility and made us a known name in the market.

With the passion of our promoters, dedication of our team, development of our brand, customer loyalty, growing trend in e-commerce and continued government support we aim to expand our operations on PAN India basis and become a popular brand among the masses.

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 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. The shareholders approved the proposal of increase in authorized capital from Rs. 10,00,000 consisting of 1,00,000 Equity Shares of Rs. 10/- each to Rs. 3,00,00,000 consisting of 30,00,000 equity shares of Rs. 10/- each in the extra-ordinary meeting held on May 7, 2016.
2. The shareholders approved the proposal to Issue Bonus shares in the ratio of five equity shares for every one equity share held in the extra-ordinary meeting held on May 10, 2016.
3. The shareholders approved the proposal of conversion of loan into equity shares and issue 3,00,000 equity shares of Rs. 10/- each at a premium of Rs. 10/- each in the extra-ordinary meeting held on May 12, 2016.
4. Our Company incorporated its first subsidiary Desi Fusion India Private Limited on May 31, 2016.
5. The shareholders approved the proposal of conversion of loan into equity shares and issue 5,75,000 equity shares of Rs. 10/- each at a premium of Rs. 10/- each in the extra-ordinary meeting held on July 29, 2016.
6. The shareholders approved the conversion of Company in the extra-ordinary general meeting held on August 03, 2016 from “Nandani Creation Private Limited” to “Nandani Creation Limited”.
7. Borrowing Powers of Board of Directors was increased to empower Board to borrow amount upto Rs. 100 Crs. vide a Special Resolution passed in the Extra Ordinary General Meeting of the Company held on August 3, 2016.
8. The shareholders approved and passed resolution on August 03, 2016 to authorize the Board of Directors to raise funds by making Initial Public Offering.
9. The Board of Directors appointed, Gaurav Jain, Gagan Saboo and Neetesh Kabra as Additional Independent Directors of our Company in the Board of Directors meeting held on August 12, 2016.
10. The shareholders approved the proposal of increase in authorized capital from Rs. 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs. 10/- each to Rs. 3,25,00,000 consisting of 32,50,000 equity shares of Rs. 10/- each in the extra-ordinary meeting held on August 13, 2016.
11. The shareholders designated Anuj Mundra as Managing Director and Vandna Mundra & Sunita Devi Mundhra as Whole Time Directors in their extra-ordinary meeting held on August 17, 2016.
12. The shareholders approved the proposal of further issue of 90,580 shares of Rs. 10/- each at a premium of Rs. 18/- each in the extra-ordinary meeting held on August 19, 2016.
13. The Board appointed Dwarka Dass Mundhra as Chief Financial Officer of our Company in their meeting held on August 22, 2016.

14. The Board appointed Priya Kshtriya as Company Secretary of our Company in their meeting held on August 24, 2016.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 16 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Supply and availability of raw material
- Competition and price cutting from existing and new entrants
- Development of brand image
- E-commerce growth
- Technological changes
- Changes in government policies
- Economic and Demographic conditions

DISCUSSION ON RESULTS OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the financial years ended March 31 2016, 2015 and 2014.

OVERVIEW OF REVENUE & EXPENDITURE

Revenues

Revenue from operations:

Our principal component of revenue from operations is from sale of women apparels such as kurtis, dress material, Patiyala Salwar, sarees and palazzo, etc.

Other Income:

Our other income consists mainly of discount received on purchases.

Amount (Rs. In Lakhs)

Particulars	Till March 31,		
	2016	2015	2014
Income			
Revenue from Operations	1,418.64	480.12	189.28
As a % of Total Revenue	99.92%	99.51%	99.77%
Other Income	1.18	2.37	0.44
As a % of Total Revenue	0.08%	0.49%	0.23%
Total Revenue	1,419.82	482.49	189.72

EXPENDITURE

Our total expenditure primarily consists of Cost of Materials Consumed, purchase of stock in trade, Employee Benefit Expenses, Finance Costs, Depreciation and Other Expenses.

Cost of materials consumed

Cost of materials consumed includes cost of raw materials which is used in our manufacturing process such as gray cloth, running cotton printed fabric.

Purchase of Stock in trade

Purchase of stock in trade consists generally cost of goods which are manufactured for us by third parties manufacturers and includes items such as salwar dupatta, sarees, palazzo, kurtis, etc.

Employee Benefit Expense

It includes salaries and wages, director's remuneration and provision for gratuity.

Finance Costs

Our finance costs mainly include interest expenses on borrowings and interest on delayed payment of taxes.

Depreciation

Depreciation includes depreciation on tangible assets.

Other Expenses

Other expenses includes job work charges, commission expenses, sales discounts, shipping expenses, purchase consumables and other manufacturing and administrative costs.

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 revenue:

Amount (Rs. In Lakhs)

Particulars	Till March 31,		
	2016	2015	2014
INCOME			
Revenue from Operations	1,418.64	480.12	189.28
As a % of Total Revenue	99.92%	99.51%	99.77%
Other Income	1.18	2.37	0.44
As a % of Total Revenue	0.08%	0.49%	0.23%
Total Revenue (A)	1,419.82	482.49	189.72
Growth %	194.27%	154.32%	220.47%
EXPENDITURE			
Cost of materials consumed	320.68	172.03	60.22
% of Total Revenue	22.59%	35.65%	31.74%
Purchase of Stock in Trade	241.53	48.98	17.15
% of Total Revenue	17.01%	10.15%	9.04%
Changes in inventories of finished goods, traded goods and work-in-progress	(97.96)	(9.91)	(19.52)
% of Total Revenue	(6.90%)	(2.05%)	(10.29%)
Employee benefit expenses	77.66	79.79	26.86
% of Total Revenue	5.47%	16.54%	14.16%
Finance costs	14.75	6.83	1.87
% of Total Revenue	1.04%	1.42%	0.99%
Depreciation and amortisation expense	2.34	1.21	0.36
% of Total Revenue	0.16%	0.25%	0.19%
Other Expenses	795.09	178.74	101.04
% of Total Revenue	56.00%	37.05%	53.26%
Total Expenses (B)	1,354.09	477.67	187.98
% of Total Revenue	95.37%	99.00%	99.08%
Profit before exceptional, extraordinary items and tax (A-B)	65.73	4.82	1.74

Particulars	Till March 31,		
	2016	2015	2014
Less - Exceptional items	-	-	-
% of Total Revenue	4.63%	1.00%	0.92%
Profit before extraordinary items and tax	65.73	4.82	1.74
Extraordinary items	-	-	-
Profit before tax	65.73	4.82	1.74
% of Total Revenue	4.63%	1.00%	0.92%
Tax expense :			
(i) Current tax	19.71	2.98	0.94
(ii) Deferred tax	0.65	(1.49)	(0.31)
Total Tax Expense	20.36	1.49	0.63
Profit for the year	45.37	3.33	1.11
PAT Margin	3.20%	0.69%	0.59%

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2016 WITH FINANCIAL YEAR ENDED MARCH 31, 2015

INCOME

Revenue from Operations

Amount (Rs. In Lakhs)

Particulars	2015-16	2014-15	Variance (%)
Revenue from operations	1,418.64	480.12	195.48%

The operating income of the Company for the financial year 2014-2015 was Rs. 480.12 Lakhs as compared to Rs. 1418.64 lakhs for the financial year 2015-2016; showing an increase of 195.48%. The increase was due to increase in our scale of operations. Our Company in the F.Y. 2015-16 had increased our product portfolio and introduced different styles of apparels thereby offering a wide range to consumers which led to increase in volume of sales. Further we undertook additional advertisement and promotional expenses thereby enhancing our brand image. Also growth in e-commerce activity gave a boost to our Company's sales.

Other Income

Our other income decreased from Rs. 2.37 lakhs in financial year 2014-15 to Rs. 1.18 lakhs in financial year 2015-16. The decrease was due to lower receipt of discount on purchases.

DIRECT EXPENDITURE

Amount (Rs. In Lakhs)

Particulars	2015-16	2014-15	Variance (%)
Cost of materials consumed	320.68	172.03	86.41%
Purchase of Stock in Trade	241.53	48.98	393.12%
Changes in inventories of finished goods, traded goods and work in progress	(97.96)	(9.91)	888.50%
Total	464.25	211.10	119.92%

The direct expenditure increased from Rs. 211.10 lakhs in financial year 2014-15 to Rs. 464.25 lakhs in financial year 2015-16 showing an increase of 119.92% over the previous year. The increase was due to increase in our business operations.

ADMINISTRATIVE AND EMPLOYEE COSTS

Amount (Rs. In Lakhs)

Particulars	2015-16	2014-15	Variance (%)
Employee Benefit Expenses	77.66	79.79	(2.67)%
Other expenses	795.09	178.74	344.83%
Total	872.75	258.53	237.58%

Employee Benefit Expenses in financial year 2015-16 have decreased by 2.67% to Rs. 77.66 lakhs as against Rs. 79.79 lakhs in financial year 2014-2015. The decline was due to decline in directors' remuneration and gratuity expenses.

Other expenses increased by 344.83% in FY 2015-16 due to increase in job work expenses, commission and sale promotion such as discount expenses. The increase was due to increase in our business operations.

FINANCE COSTS

The finance costs for the Financial Year 2015-16 increased from Rs. 6.83 lakhs in the financial year 2014-15 to Rs. 14.75 lakhs due to higher borrowings.

DEPRECIATION

Depreciation for the year financial year 2015-16 has increased to Rs. 2.34 lakhs as compared to Rs. 1.21 lakhs for the financial year 2014-15. The increase was due to increase in tangible assets.

PROFIT BEFORE TAX

Amount (Rs. In Lakhs)

Particulars	2015-16	2014-15	Variance (%)
Profit Before Tax	65.73	4.82	1263.69%

The Profit Before Tax has increased from Rs. 4.82 lakhs to Rs. 65.73 lakhs showing an increase of 1263.69%. The increase was due to increase in our business operations.

PROVISION FOR TAX AND NET PROFIT

Amount (Rs. In Lakhs)

Particulars	2015-16	2014-15	Variance (%)
Taxation Expenses	20.36	1.49	1266.44%
Profit after Tax	45.37	3.33	1262.46%

Profit after tax increased to Rs. 45.37 lakhs in financial year 2015-16 as compared to Rs. 3.33 lakhs for the financial year 2014-15. The increase was due to increase in our business operations.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2015 WITH FINANCIAL YEAR ENDED MARCH 31, 2014

INCOME

Revenue from Operations

Amount (Rs. In Lakhs)

Particulars	2014-2015	2013-2014	Variance (%)
Revenue from operations	480.12	189.28	153.66%

The operating income of the Company for financial year 2014-2015 is Rs. 480.12 lakhs as compared to Rs. 189.28 lakhs for the financial year 2013-2014 showing an increase of 153.66%. The increase was due to increase in our operations.

Other Income

Our other income increased from Rs. 0.44 lakhs in financial year 2013-2014 to Rs. 2.37 lakhs in Financial Year 2014-2015. The main reason for increase in other income was due to higher discount on purchases.

DIRECT EXPENDITURE

Amount (Rs. In Lakhs)			
Particulars	2014-2015	2013-2014	Variance (%)
Cost of materials consumed	172.03	60.22	185.67%
Purchase of Stock in Trade	48.98	17.15	185.60%
Changes in inventories of finished goods, traded goods and work-in-progress	(9.91)	(19.52)	(49.23)%
Total	211.10	57.85	264.91%

The direct expenditure has increased from Rs. 57.85 lakhs in Financial Year 2013-2014 to Rs. 211.10 lakhs in Financial Year 2014-2015 showing an increase of 264.91% over the previous year. The increase was in lines with increase in scale of production.

ADMINISTRATIVE AND EMPLOYEE COSTS

Amount (Rs. In Lakhs)			
Particulars	2014-2015	2013-2014	Variance (%)
Employee Benefit Expenses	79.79	26.86	197.06%
Other Expenses	178.74	101.04	76.90%
Total	258.53	127.90	102.13%

There is a increase in employee benefit expenses from Rs. 26.86 lakhs to Rs. 79.79 lakhs due to increase in salary and wages and provision for gratuity expenses.

Other expenses increased from Rs. 101.04 lakhs in financial year 2013-14 to Rs. 178.74 lakhs in financial year 2014-15 showing an increase of 76.90%. Increase in other expenses was mainly due to increase in commission expenses and job work and printing charges.

FINANCE COSTS

The finance costs for the financial year 2014-2015 have increased to Rs. 6.83 lakhs from Rs. 1.87 lakhs in Financial Year 2013-14 due to utilisation of credit facilities throughout the year.

DEPRECIATION

Depreciation expenses for the Financial Year 2014-2015 have increased to Rs. 1.21 lakhs as compared to Rs. 0.36 lakhs for the Financial Year 2013-2014.

PROFIT BEFORE TAX

Amount (Rs. In Lakhs)			
Particulars	2014-2015	2013-2014	Variance (%)
Profit Before Tax	4.82	1.74	177.01%

There was an increase in the Profit from Rs. 1.74 lakhs in the year 2013-2014 to Rs. 4.82 lakhs in the year 2014-2015. The increase due to increase in our business operations.

PROVISION FOR TAX AND NET PROFIT

Amount (Rs. In Lakhs)

Particulars	2014-2015	2013-2014	Variance (%)
Taxation Expenses	1.49	0.63	136.51%
Profit after Tax	3.33	1.11	200%

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

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

Other than as described in the section titled “*Risk Factors*” beginning on page 16 of this 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 16 of this 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, ecommerce growth, development of our brand, government policies and prices of raw materials.

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

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

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

The Company is operating in Textile Industry. Relevant industry data, as available, has been included in the chapter titled “*Our Industry*” beginning on page 106 of this 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 Prospectus.

8. The extent to which the business is seasonal

Our Company business is not seasonal in nature. For further details please refer to the section titled “*Risk factors*” beginning on page 16 of the Prospectus.

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 income and finished goods / traded goods cost respectively as March 31, 2016 is as follows:

Particulars	Customers	Suppliers
Top 5 (%)	80.98%	67.11%
Top 10 (%)	93.30%	81.52%

10. Competitive Conditions

We face competition from existing and potential unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in chapter titled "*Our Business*" on page 133 of this Prospectus.

FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks and others for conducting its business. Set forth is a brief summary of our Company's secured and unsecured borrowings as on March 31, 2016 together with a brief description of certain significant terms of such financing arrangements.

SECURED BORROWINGS

1. Loan of Rs. 100.00 Lakhs from Axis Bank as per Sanction Letter dated February 26, 2016

Rs in Lakhs	
Nature of Facility	Cash Credit
Limit	Rs. 100.00 Lakhs
Rate of Interest	Base Rate + 3% (Currently being 12.50% p.a.)
Tenor	12 Months from the date of sanction
Repayment	Cash Credit-on-Demand
Purpose	To meet working capital requirements
Security	Exclusive charge on the current assets
Personal Guarantee	<ul style="list-style-type: none"> • Anuj Mundra • Vandna Mundra • Sunita Devi Mundhra
Outstanding amount as on March 31, 2016	Rs. 93.25 Lakhs

Key restrictive covenants as per Term Agreement

During the currency of the Banker's credit facility(s), the borrower will not without the bank's prior permission in writing;

- Conclude any fresh secured borrowing arrangement with any other bank of Financial Institutions, borrower or otherwise, not create any further charge over their fixed assets, without our prior approval in writing;
- Undertake any expansion or fresh project or acquire fixed assets, while normal capital expenditure, e.g. replacement of parts, can be incurred.
- Invest by way of share capital in or lend or advance funds to or place deposits with any other concern. Normal trade credit or security deposits in the usual course of business or advances to employees, etc., are, however, not covered by this covenant.
- Formulate any scheme of amalgamations with any other borrower or reconstruction, acquire any borrower;
- Undertake guarantee obligations on behalf of any other borrower / firm/concern / company or any third party, except had ordinary course of business.
- Declare dividend for any year except out of profits relating to that year after making all the due and necessary provisions that no default had occurred in any repayment obligation and bank's permission is obtained.
- Make any repayment of the loans and deposits and discharge other liabilities except those shown in the funds flow statement submitted from time to time;
- Make any substantial change in its capital structure.
- Effect any major change in its capital structure
- Grant loans to promoters/ Partners.

2. Loan of Rs. 11.00 Lakhs from HDFC Bank as per letter date March 31, 2016

Nature of Facility	Auto Loan
Amount	Rs. 11.00 Lakhs
Rate of Interest	9.87%
Tenor	EMI of Rs. 23,300 every month for a period of 60 Months starting

Nature of Facility	Auto Loan
	from May 2016
Security	Secured by hypothecation of Vehicle under Hire Purchase
Amount outstanding as on March 31, 2016	-

UNSECURED BORROWINGS FROM NBFC/FINANCIAL INSTITUTIONS

3. Loan of Rs. 42.00 Lakhs from NeoGrowth Credit Private Limited as per Sanction letter dated January 13, 2016

Rs in Lakhs

Nature of Facility	Business Loan
Amount	Rs. 42.00
Finance Charges	Rs. 6.30 Lakhs
Tenor	12 Months from the date of sanction
Repayment	Rs. 2,01,250/- on fortnightly basis
Purpose	Working Capital requirements
Amount outstanding as on March 31, 2016	Rs. 34.90 Lakhs

Key restrictive covenants as per Term Agreement

1. After disbursement of this loan if you wish to avail any credit facility or loan from any other bank/financial institution, our prior written permission is required.
2. You will continue to carry on your present business and shall not make any material change in or close down your existing business without your prior written consent.

UNSECURED BORROWING FROM OTHERS

Sr.No.	Name of Lender	Loan Amount (Rs. in Lakhs)
1.	Shrey Buildcon Private Limited	7.00
2.	Naveen Adwani	7.00
3.	Sonali Agarwal	10.00
4.	Anuj Mundhra	32.13
5.	Nandani Creation	18.00
6.	Sunita Devi Mundhra	14.57
7.	Vandna Mundhra	13.79

SECTION VI – LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except, as stated below and mentioned elsewhere in this Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, statutory or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries and or against any other company whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Subsidiary Company.

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 August 24, 2016 determined that outstanding dues to creditors in excess of Rs. 5 Lakhs as per last audited financial statements shall be considered as material dues (“Material Dues”).

Our Board, in its meeting held on August 24, 2016 determined that litigations involving an amount of more than Rs. 2 Lakhs shall be considered as material.

Unless otherwise stated to contrary, the information provided is as of date of this Prospectus.

LITIGATION INVOLVING OUR COMPANY

Against our Company

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

PROCEEDING FOR AY 2015-16

- i. The Income Tax Officer, Ward – 3(2) of Jaipur (hereinafter referred to as the ‘**Assessing Authority**’) has issued a notice under Section 142 (1) of the Income Tax Act, 1961 to M/s Nandani Creation Private Limited (hereinafter referred to as the ‘**Assessee Company**’) dated May 16, 2016 for AY 2015-16. The notice was issued in connection with pending scrutiny assessment proceeding and the Assessing Authority has requested the Assessee Company to furnish details till June 21, 2016. The matter is pending and due for hearing in January 2017.

- ii. The Income Tax Officer, Ward – 3 (2) of Jaipur (hereinafter referred to as the ‘**Assessing Authority**’) has issued a notice under Section 143 (2) of the Income Tax Act, 1961 to M/s Nandani Creation Private Limited (hereinafter referred to as the ‘**Assessee Company**’) dated April 12, 2016 for AY 2015-16. The Assessee Company has submitted its return dated September 14, 2015 and is summoned to appear before the Assessing Authority on April 22, 2016. The matter is pending and due for hearing in January 2017

PROCEEDING FOR AY 2013-14

- i. UNDER CENTRAL SALES TAX ACT, 1956

The Assistant Commissioner, Commercial Tax Department, Jaipur (hereinafter referred to as the ‘**Assessing Authority**’) passed Central Sales Tax Assessment Order against M/s Nandani Creation Private Limited (hereinafter referred to as the ‘**Assessee Company**’) dated June 15, 2016 deemed to be assessed under Section 9 of the Central Sales Tax Act, 1956 read with Section 23 (1). As per order a total tax payable amounted to Rs. 8,71,522.84/- out of which an amount of Rs. 3,01,062.17/- has been deposited by the Assessee Company. Thus an outstanding tax of Rs. 5,70,460.67/- rounded off to **Rs. 5,70,460/-** is payable by the Assessee Company.

PROCEEDING FOR AY 2012-13 UNDER RAJASTHAN VALUE ADDED TAX ACT, 2003

- i. Assistant Commercial Tax Officer, Jaipur (hereinafter referred to as the ‘**Assessing Authority**’) issued a notice to M/s Nandani Creation Pvt. Ltd. (hereinafter referred to as the ‘**Assessee Company**’) dated February 23, 2015 under Section 22/23/24/55/58 of Rajasthan Value Added Tax Act, 2003 read with Section 9 of the Central Sales Tax Act, 1956. Due to non-submission of proof of Export sales for Rs. 1,58,425/- a tax @5% that is Rs. 7,921/- and interest for 29 months has been imposed on the Company. Due to non-submission of Form ‘C’ against inter-state sales of Rs. 13,86,866/- difference tax @ 3% that is Rs. 41,606/- and interest for 29 months has been imposed. Rs. 204/- is imposed as interest for late submission. After adjustment of tax deposited a demand outstanding of **Rs. 62,137/-** has been created and the Assessee Company was directed to pay the same. As per letter dated July 8, 2015 the Company has submitted Form ‘C’ against inter-state sales of Rs. 13,86,866/- wherein demand of difference tax of Rs. 41,606/- was raised.

Proceedings against Our Company for economic offence/securities laws/ or any other law

Nil

Penalties in Last Five Years

Nil

Pending Notice against our Company

Nil

Past Notice to our Company

Nil

Disciplinary Action taken by SEBI or stock exchanges against Our Company

Nil

Defaults including non-payment or statutory dues to banks or financial institutions

Nil

Details of material fraud against the Company in last five years and action taken by the Companies.

Nil

LITIGATION FILED BY OUR COMPANY

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law

Nil

LITIGATION INVOLVING DIRECTORS OF OUR COMPANY

Litigation against our Directors

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Past Penalties imposed on our Directors

Nil

Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law

Nil

Directors on list of wilful defaulters of RBI

Nil

Litigation by Directors of Our Company

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

LITIGATION INVOLVING PROMOTER OF OUR COMPANY

Outstanding Litigation against our Promoters

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Past Penalties imposed on our Promoters

Nil

Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years

Nil

Penalties in Last Five Years

Nil

Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in Past

Nil

Adverse finding against Promoter for violation of Securities laws or any other laws

Nil

Litigation by Our Promoters

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

LITIGATION INVOLVING OUR GROUP COMPANIES

Outstanding Litigation against our Group Companies

Nil

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Past Penalties imposed on our Group Companies

Nil

Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies

Nil

Adverse finding against Group Companies for violation of Securities laws or any other laws

Nil

LITIGATION BY OUR GROUP COMPANIES

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Please note that as on date of this Prospectus, Our Company does not have any Group Company.

LITIGATION INVOLVING OUR SUBSIDIARIES

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Past Penalties imposed on our Subsidiaries

Nil

Proceedings initiated against our Subsidiaries for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Subsidiaries

Nil

Adverse finding against Subsidiaries for violation of Securities laws or any other laws

Nil

LITIGATION BY OUR SUBSIDIARIES

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

OTHER MATTERS

Nil

Details of any inquiry, inspection or investigation initiated under present or previous companies laws in last five years against the Company or its subsidiaries

Nil

Outstanding Litigation against other companies or any other person whose outcome could have an adverse effect on our company

Nil

MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

1. The shareholders approved the proposal of increase in authorized capital from Rs. 10,00,000 consisting of 1,00,000 Equity Shares of Rs. 10/- each to Rs. 3,00,00,000 consisting of 30,00,000 equity shares of Rs. 10/- each in the extra-ordinary meeting held on May 7, 2016.
2. The shareholders approved the proposal to Issue Bonus shares in the ratio of five equity shares for every one equity share held in the extra-ordinary meeting held on May 10, 2016.
3. The shareholders approved the proposal of conversion of loan into equity shares and issue 3,00,000 equity shares of Rs. 10/- each at a premium of Rs. 10/- each in the extra-ordinary meeting held on May 12, 2016.
4. The shareholders approved the proposal of conversion of loan into equity shares and issue 5,75,000 equity shares of Rs. 10/- each at a premium of Rs. 10/- each in the extra-ordinary meeting held on July 29, 2016.
5. The shareholders approved the conversion of Company in the extra-ordinary general meeting held on August 03, 2016 from “Nandani Creation Private Limited” to “Nandani Creation Limited”.
6. Borrowing Powers of Board of Directors was increased to empower Board to borrow amount upto Rs. 100 Crs. vide a Special Resolution passed in the Extra Ordinary General Meeting of the Company held on August 3 , 2016.
7. The shareholders approved and passed resolution on August 03, 2016 to authorize the Board of Directors to raise funds by making Initial Public Offering.
8. The Board of Directors appointed, Gaurav Jain, Gagan Saboo and Neetesh Kabra as Additional Independent Directors of our Company in the Board of Directors meeting held on August 12, 2016.
9. The shareholders approved the proposal of increase in authorized capital from Rs. 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs. 10/- each to Rs. 3,25,00,000 consisting of 32,50,000 equity shares of Rs. 10/- each in the extra-ordinary meeting held on August 13, 2016.
10. The shareholders designated Anuj Mundra as Managing Director and Vandna Mundra & Sunita Devi Mundhra as Whole Time Directors in their extra-ordinary meeting held on August 17, 2016.
11. The shareholders approved the proposal of further issue of 90,580 shares of Rs. 10/- each at a premium of Rs. 18/- each in the extra-ordinary meeting held on August 19, 2016.
12. The Board appointed Dwarka Dass Mundhra as Chief Financial Officer of our Company in their Board meeting held on August 22, 2016.

13. The Board appointed Priya Kshtriya as Company Secretary of our Company in their meeting held on August 24, 2016.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As of March 31, 2016, our Company had 68 creditors, to whom a total amount of Rs. 198.34 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated August 24, 2016, considered creditors to whom the amount due exceeds Rs. 5 lakhs by our company 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.

Creditors	Amount (Rs. in lakhs)
Ayaan International	5.85
Pradhanesham	5.86
Megha Traders	7.34
Punmiya Creations	10.49
Shanu Garments	21.12
Nandini Creation	89.30

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 www.jaipurkurti.com.

Information provided on the website of our Company is not a part of this 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.jaipurkurti.com, would be doing so at their own risk.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for our present business and except as mentioned under this heading, no further material approvals are required for carrying on our present business. 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 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 in various states we require various approvals and/ or licenses under various laws, rules and regulations as applied by each state. For further details in connection with the applicable regulatory and legal framework, see chapter “Key Industries Regulations and Policies” on page 146.

The Company has its registered office and manufacturing unit located at:

F-95, Kartarpura Industrial Area, Near 22 Godam, Jaipur 302006

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 August 02, 2016 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1) (c) of the Companies Act 2013, by a special resolution passed in the Extraordinary General Meeting held on August 03, 2016 authorized the Issue.

In- principle approvals 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 September 20, 2016 bearing reference no. NSE/LIST/87638

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated September 12, 2016 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 September 12, 2016 with the National Securities Depository Limited (“**NSDL**”) and the Registrar and Transfer Agent, who in this case is Big Share Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“**ISIN**”) is INE696V01013.

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated February 21, 2012 issued by the Registrar of Companies, Rajasthan in the name of **“Nandani Creation Private limited.”**.
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company and subsequently change of name from **“Nandani Creation Private Limited”** to **Nandani Creation Limited** issued on August 12, 2016 by the Registrar of Companies, Rajasthan.
3. The Corporate Identity Number (CIN) of the Company is U18101RJ2012PLC037976

APPROVALS RELATED TO OUR BUSINESS ACTIVITIES

Sr. No.	Description	Authority	Registration No./ Reference No./License No.	Date of Issue	Date of Expiry
1.	Entrepreneurs Memorandum for setting up of micro, small and medium enterprise	District Industries Centre, Jaipur, (Urban), Government of India	08-012-11-13312 (Part II)	December 24, 2013	NA
2.	Certificate of Importer Exporter Code (IEC)	Office of Joint Director General of Foreign Trade, Jaipur, Ministry of Commerce and Industry, Government of India	1312006978	July 5, 2012	Perpetual

TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Certificate of Registration (under Rajasthan Value Added Tax Act, 2003 read with rule 14(1)(a) & 15 (2) of	Assistant Commissioner, Divisional Kar Bhawan, Jhalana – Jaipur	08611766878	April 18, 2012 and amended on March 27, 2015 (Date of effectiveness April 1,	Until Cancelled

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	Rajasthan Value Added Tax, Rules 2006)			2012)	
2.	Certificate of Registration (Under Andhra Pradesh Value Added Tax Act, 2005 read with Rule 10 (a) of the Andhra Pradesh Value Added Tax Rules, 2005)	Assistant Commercial Tax Officer, Jeedimetla Circle, Hyderabad Rural Division, Commercial Taxes Department, Government of Telangana	36597715827	September 18, 2015 (Date of effectiveness September 1, 2015)	Until cancelled
3.	Certificate of Registration (section 11 of the Haryana Value Added Tax Act, 2003)	Excise & Taxation Officer cum Assessing Authority, Gurgaon (East)	06641842604	January 13, 2016 (Date of Validity - December 30, 2015)	Until Cancelled
4.	Certificate of Registration (under section 7 (1)/ 7 (2) of The Central Sales Tax Act, 1956)	Assistant Commissioner, Divisional Kar Bhawan, Jhalana – Jaipur	08611766878 (Central)	April 18, 2012 (Date of Validity – April 17, 2012)	Until cancelled
5.	Certificate of Registration (Under section 7(1)/7(2) of the Central Sales Tax Act, 1956)	Assistant Commercial Tax Officer, Jeedimetla Circle, Hyderabad Rural Division, Commercial Taxes Department, Government of Telangana	36597715827 (Central)	September 18, 2015 (Date of effectiveness September 1, 2015)	Until cancelled

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
6.	Certificate of Registration (under section 7(1)/7(2) of the Central Sales Tax Act, 1956)	Excise & Taxation Officer cum Assessing Authority, Gurgaon (East)	06641842604 (Central)	January 13, 2016 (Date of Validity - December 30, 2015)	Until Cancelled
7.	Permanent Account Number (PAN)	Department of Income Tax, Government of India	AADCN9118L	February 21, 2012	Perpetual
8.	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited (NSDL)	JPRN05507F	March 31, 2012	Perpetual









LABOUR RELATED APPROVALS/REGISTRATIONS

The Company has obtained the following approvals related to Labour/employment related registrations:

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Registration of Employees State Insurance (under Section 1 (3)/1(5) of the Employees State Insurance Act, 1948)	Employees State Insurance Corporation, Jaipur, Rajasthan	Establishment Code: 15000484810000999	February 24, 2015

INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS

Trademarks

Sr No	Description	Word/Label Mark	Applicant	Application Number	Date of Filing	Class	Status
1		Device – Word Mark	Nandani Creation Private Limited	2895131	February 06, 2015	24	Objected
2		Device – Word Mark	Nandani Creation Private Limited	2895135	February 06, 2015	25	Objected
3		Device – Word Mark	Nandani Creation Private Limited	2470805	February 01, 2013	35	Objected
4		Device – Word Mark	Nandani Creation Private Limited	3184901	February 12, 2016	42	Objected
5		Device – Word Mark	Nandani Creation Private Limited	3184897	February 12, 2016	24	Objected
6		Device – Word Mark	Nandani Creation Private Limited	3184898	February 12, 2016	25	Objected
7		Device – Word Mark	Nandani Creation Private Limited	3184899	February 12, 2016	35	Objected
8		Device – Word Mark	Nandani Creation Private Limited	3184900	February 12, 2016	42	Objected

Company confirms 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. All the abovementioned approvals are in the name of “Nandani Creation Private Limited” and the company has not applied for change of name name to Nandani Creation Limited.

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

1. Central Excise Registration Certificate issued by Central Board of Excise and Customs.
2. Registration under Employees Provident Fund and Miscellaneous Provisions Act, 1952
3. Registration under Rajasthan Shops & Commercial Establishments Act, 1958

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on August 02, 2016 and by the shareholders of our Company by a Special Resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013 passed at the EGM of our Company held on August 03, 2016 at registered office of the Company.

We have received in-principle approval from the Stock Exchange for the listing of our Equity Shares pursuant to letter no NSE/LIST/87638 dated September 20, 2016

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

None of our Company, our Directors, our Promoter, relatives of Promoter, our Promoter Group, and our Group Entities 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 Entities 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 are 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 is 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 NSE 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 LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page 62 of this 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 eight working days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
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 Lead Managers 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.

4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM 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 62 of this 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 and
6. Net-worth of the company is positive.
7. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the year ended March 31, 2016, 2015, 2014 and 2013 is as set forth below:-

Amount (Rs. In lakhs)

Particulars	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Distributable Profits*	45.37	3.33	1.11	0.19
Net Tangible Assets**	174.73	80.13	39.16	1.77
Net Worth***	59.00	13.63	10.30	1.19

* “Distributable profits” have been calculated in terms section 123 of the Companies Act, 2013.

** ‘Net tangible assets’ are defined as the sum of all net assets (i.e. non current assets, current assets less current liabilities) of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India

*** “Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any

8. The Post-issue paid up capital of the Company shall not be more than Rs. 25 Crore. The post issue paid up capital of the Company shall be Rs. 294.96 lakhs
9. The Company shall mandatorily facilitate trading in Demat securities and has entered into agreements with NSDL and CDSL.
10. The Company has not been referred to Board for Industrial and Financial Reconstruction.
11. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company
12. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
13. The Company has a website www.jaipurkurti.com

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGERS, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED AND INDIAN OVERSEAS BANK, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, 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 PROSPECTUS, THE LEAD MANAGERS, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED AND INDIAN OVERSEAS BANK, ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGERS, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED AND INDIAN OVERSEAS BANK, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE:.

“WE, THE UNDER NOTED LEAD MANAGERS 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, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - A. THE PROSPECTUS TO BE FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS 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 PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM 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 PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE**

- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE 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 OFFER 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 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 PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.- NOTED FOR COMPLIANCE**
- 16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”**
- 17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.” *COMPLIED 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 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 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 PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES / ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORY FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION 4 OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. – NOT APPLICABLE
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

Note:

The filing of this Prospectus does not, however, absolve our Company from any liabilities under Section 34 and 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead Managers any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Rajasthan at Jaipur, in terms of Section 26 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGERS

Our Company, our Directors and the Lead Managers accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.jaipurkurti.com would be doing so at his or her own risk.

Caution

The Lead Managers accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Managers and our Company dated August 30, 2016, the Underwriting Agreement dated August 30, 2016 entered into among the Underwriter and our Company and the Market Making Agreement dated September 19, 2016 entered into among the Market Maker, Lead Managers and our Company.

Our Company and the Lead Managers 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 Lead Managers 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 and Indian Overseas Bank are not an 'associate' of the Company and is eligible to Lead Managers 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 Lead Managers and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGERS

For details regarding the price information and track record of the past issue handled by M/s. Pantomath Capital Advisors Private Limited and Indian Overseas Bank, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer "Annexure A" to this Prospectus and the website of the Lead Managers at www.pantomathgroup.com and www.iob.in.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and 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 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 Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Prospectus had been filed with NSE for its observations and NSE has given its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this 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 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/87638 dated September 20, 2016 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 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 Prospectus has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at Unit No: 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station Opp. Nehru Bridge Ashram Road, Ahmedabad - 380 009. A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 has been delivered to the RoC situated at Corporate Bhawan, G/6-7, Second Floor, Residency Area, Civil Lines, Jaipur-302001, Rajasthan.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from Emerge Platform of NSE. However application will be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE has given its in-principle approval for using its name in our Prospectus *vide* its letter dated September 20, 2016.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations

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 NSE mentioned above are taken within six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, Chief Financial Officer, Company Secretary & Compliance Officer, the Statutory Auditors, the Peer Reviewed Auditors, Banker to the Company; and (b) Lead Managers, Underwriters, Market Maker, Registrar to the Issue, Public Issue Bank/ Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue, to act in their respective capacities have been obtained and is filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the 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 Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

Our Company has not obtained any expert opinions:

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 94 of this Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Managers

The total fees payable to the Lead Managers will be as per the Mandate Letter dated March 10, 2016 issued by our Company to the Lead Managers, 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 August 30, 2016, a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Lead Managers. 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 71 of this 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:

None of the equity shares of our Group Entities are listed on any recognized stock exchange. None of the above companies have raised any capital during the 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 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 refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on August 22, 2016. For further details, please refer to the chapter titled “*Our Management*” beginning on page 164 of this Prospectus.

Our Company has appointed Priya Kshtriya as Company Secretary & Compliance Officer and she may be contacted at the following address:

Priya Kshtriya

Nandani Creation Limited

F 95, Kartarpura Industrial Area,

Near 22 Godown, Jaipur - 302 006

Tel: +91 141 403 7596

Fax: Not Available

Email: info@jaipurkurti.com

Website: www.jaipurkurti.com

Corporate Identification Number: U18101RJ2012PLC037976

Investors can contact the Company Secretary & Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

No Changes in Auditors have been done in last three financial years

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 71 of this 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

Other than as disclosed in this 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 Prospectus.

Except as stated elsewhere in this 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 are subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, our Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Prospectus, the Prospectus, Application Form, ASBA Application form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

RANKING OF EQUITY SHARES

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment 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 299 of this 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. Our Company 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 186 of this Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 28 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Managers and is justified under the section titled “*Basis for Issue Price*” beginning on page 100 of this Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and 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, 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 299 of this Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 4,000 Equity Shares and the same may be modified by NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 4,000 Equity Shares subject to a minimum allotment of 4,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 4,000 Equity Share subject to a minimum allotment of 4,000 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 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 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 offered 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 offers and sales occur.

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

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole applicant, or the first applicant along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicant, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with 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.

PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE

ISSUE OPENS ON	Wednesday, September 28, 2016
ISSUE CLOSES ON	Monday, October 3, 2016

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 Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvment of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.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 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.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main Board of NSE from the Emerge Platform of NSE at a later date subject to the following condition and/or such other conditions as applicable from time to time:

- a) If the Paid up Capital of our Company is likely to increase above Rs. 2,500 Lacs 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 NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

Or

- b) If the Paid up Capital of our company is more than Rs. 1,000 Lacs and upto Rs. 2,500 Lacs, our Company may still apply for migration to the Main Board if the Company fulfils the eligible criteria for listing laid down 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 offered through this Issue are proposed to be listed on the Emerge Platform of NSE (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 of shares offered through the Prospectus. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 62 of this Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of 4,000 shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE.

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. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI

It is to be understood that there is no reservation for Eligible NRIs or FPIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, 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 Promoters' minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page number 71 of this 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 number 299 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Managers are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M) (1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer, whose post issue face value capital does not exceed ten crore rupees, 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 Emerge Platform of NSE). 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 248 and 256 of this Prospectus.

Following is the issue structure:

Public Issue of 14,44,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 28/- per Equity Share aggregating Rs. 404.32 lakhs ('the Issue') by our Company.

The Issue comprises a Net Issue to Public of 13,68,000 Equity Shares ('the Net Issue'), a reservation of 76,000 Equity Shares 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	13,68,000 Equity Shares	76,000 Equity Shares
Percentage of Issue Size available for allocation	94.74% of the Issue Size	5.26% of Issue Size
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 4,000 equity shares and further allotment in multiples of 4,000 equity shares each. For further details please refer to the section titled " <i>Issue Procedure–Basis of Allotment</i> " on page 256 of the Prospectus.	Firm allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process	ASBA Process
Minimum Application	<u>For QIB and NII:</u> Such number of Equity Shares in multiples of 4,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000 For Retail Individual 4,000 Equity shares	76,000 Equity Shares
Maximum Application Size	<u>For QIB and NII:</u> For all other investors the maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable. <u>For Retail Individuals:</u> 4,000 Equity Shares	76,000 Equity Shares of Face Value of Rs. 10 each

Particulars	Net Issue to Public*	Market Maker Reservation Portion
Mode of Allotment	Compulsorily in dematerialized mode.	Compulsorily in dematerialized mode.
Trading Lot	4,000 Equity Shares	4,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations
Terms of payment	The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of the closure of the Issue.	

**50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is upto Rs. 2,00,000 and the balance 50 % of the shares are reserved for applications whose value is above Rs. 2,00,000.*

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Managers, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. However, if our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchange shall be informed promptly in this regard and the Lead Managers, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

ISSUE PROGRAMME

ISSUE OPENS ON	Wednesday, September 28, 2016
ISSUE CLOSES ON	Monday, October 3, 2016

The above timetable is indicative and does not constitute any obligation on our Company, or the Lead Managers. 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 Offer Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) during the Offer Period for acceptance of bids. While a standard cut off time of 4.00 PM for uploading of bids received from non retail applicants i.e QIB, HNIs and employees (if any). A standard cut off time of 5.00 PM for uploading of bids received from only retail applicants, which may be extended upto such time as deemed fit by Stock Exchanges after taking into account the total number of applicants received up to the closure of timings and reported by LMs to the exchange within half an hour of such closure. It is clarified that Applications not uploaded on the electronic

system would be rejected. Applications will be accepted only on Working Days. Neither our Company nor the Lead Managers are liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

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 Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data and details as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under section “**Part B – General Information Document**”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Managers would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Application Collecting Intermediaries. In case of QIB Applicants, the Company in consultation with the Lead Managers may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form.

Further the Equity shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues can only invest through ASBA Mode. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, 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 (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the 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.

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.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(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 authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Managers to the Issue, Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. www.nseindia.com.

WHO CAN APPLY?

In addition to the category of Applicants 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.

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.
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

PARTICIPATION BY ASSOCIATED/ AFFILIATES OF LEAD MANAGERS AND SYNDICATE MEMBERS

The Lead Managers 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 Lead Managers and the Syndicate Members, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations/institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non residents (except for those applying on non repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

APPLICATIONS BY ELIGIBLE NRI'S/RFPI'S ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead Managers. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of

shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - b) Nothing contained in clause (a) shall apply to:
 - I. Any transactions in derivatives on a recognized stock exchange;
 - II. Short selling transactions in accordance with the framework specified by the Board;
 - III. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - IV. Any other transaction specified by the Board.
 - c) No transaction on the stock exchange shall be carried forward;
 - d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
 - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;

- iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
 - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
 - vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - viii. Any other transaction specified by the Board.
- e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

- 4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- 5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

- 8. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

9. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
10. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.
11. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.
12. An FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as an foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATIONS 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 Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Applications 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.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (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% 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 funds in case of life insurer or 15% of investment assets in case of general insurer or re-insurer 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 re-insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or a general insurer and the amount calculated under points (1), (2) and (3) above, as the case may be.

APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lacs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lacs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made 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 Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications 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 Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

INFORMATION FOR THE APPLICANTS

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
3. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
4. Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).
5. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
6. The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
7. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
8. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

METHOD AND PROCESS OF APPLICATIONS

1. Applicants are required to submit their applications during the Issue Period only through the following Application Collecting intermediary
 - i) an SCSB, with whom the bank account to be blocked, is maintained

- ii) a syndicate member (or sub-syndicate member), if any
- 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 Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

The Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus.

The Applicant cannot apply on another Application Form after one Application Form has been submitted to Application Collecting intermediaries. Submission of a second Application Form to either the same or to another Application Collecting Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.

2. The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.
3. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below

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.

4. Upon receipt of the Application Form directly or through other intermediary, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, and If sufficient funds are not available in the ASBA Account the application will be rejected.
5. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.
6. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

TERMS OF PAYMENT

Terms of Payment

The entire Issue price of Rs. 28/- per share is payable on 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 Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism for Applicants

The Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application 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.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.
2. The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m of the next Working day from the Issue Closing Date.
3. The Application collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be re will be responsible for blocking the necessary amounts in the ASBA Accounts (v) Application accepted and uploaded but not sent to SCSBs for blocking of funds..
4. Neither the Lead Managers nor our Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.

5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Application Collecting Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Managers on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
 - Name of the Applicant;
 - IPO Name;
 - Application Form number;
 - Investor Category;
 - PAN (of First Applicant, if more than one Applicant);
 - DP ID of the demat account of the Applicant;
 - Client Identification Number of the demat account of the Applicant;
 - Numbers of Equity Shares Applied for;
 - Bank account number.
7. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
8. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
9. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
10. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Application Collecting Intermediaries shall have no right to reject applications, except on technical grounds.
11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
12. The Application Collecting Intermediaries will be given time till 1.00 P.M on the next working day after the Issue Closing Date to verify the PAN No, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein 76,000 Equity Shares shall be reserved for Market Maker. 14,44,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated August 30, 2016.
- b) A copy of the Prospectus will be filed with the RoC in terms of Section 26 of the Companies Act.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation.

ISSUANCE OF ALLOTMENT ADVICE

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the demographic details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;

- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a acknowledgement;
- All applicants should submit their applications through the ASBA process only.

Dont's:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Application Collecting Intermediaries. Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue
- Do not submit Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant
- Do not submit more than five Application Forms per ASBA Account.

Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Application Collecting Intermediaries. Application Forms, which do not bear the stamp of the Application Collecting Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker ('broker') network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broadbase the reach of Investors by substantially enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN Nos, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will

obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Application Collecting Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447.”

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 all the stock exchanges where the Equity Shares are proposed to be listed on sixth day from issue closure date. Working Days from the Issue Closing 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 to the Issue by us;
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 offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

The Lead Managers 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 into the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated September 12, 2016 among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated September 12, 2016 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no INE696V01013.

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/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations, 2009**”).

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“**RoC**”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(s)** to the Issue and on the website of Securities and Exchange Board of India (“**SEBI**”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under chapter XB of the SEBI (ICDR) Regulations, wherein as per:

- Regulation 106M (1): An issuer whose post-issue face value Capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue is being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (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 LM 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 73 of the Companies Act, 1956
- (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 Lead Managers 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 LM 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 has track record of distributable profits in terms of section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. The net worth of the Company is positive.
- (f) The Post-issue paid up capital of the Company shall not be more than Rs. 25 Crore
- (g) The Issuer shall mandatorily facilitate trading in demat securities.
- (h) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (i) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
- (j) 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.
- (k) The Company should have a website.
- (l) 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 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. 1,000 lakhs. Company also complies with the eligibility conditions laid by the Emerge Platform of NSE for listing of our Equity Shares.

2.3 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 ISSUE PERIOD

The Issue shall be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period.

Details of Issue Period are also available on the website of Stock Exchange(s).

2.5 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange (Emerge Platform of NSE) at a later date subject to the following:

- (a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfilment 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.

2.1 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

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 Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and 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

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Application Collecting Intermediaries as available or downloaded from the websites of the

Stock Exchanges. Application Forms are available Designated Branches of the SCSBs, at the registered office of the Issuer and at the corporate office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

Category	Colour of the Application
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis	Blue
Anchor Investors (where applicable) & Applicants 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. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

R Application Form


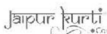
COMMON APPLICATION FORM	NANDANI CREATION LIMITED - PUBLIC ISSUE - R	FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS
To, The Board of Directors NANDANI CREATION LIMITED F 95, Kartarpura Industrial Area, Near 22 Godam, Jaipur - 302 006 Tel.: +91 141 4037596, Fax: Not Available, CIN: U18101RJ2012PLC039796		Date: _____
FIXED PRICE SME ISSUE INE696V01013		Application Form No.
BROKER'S / SCBS / DP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ Age _____ Address _____ E mail _____ Tel. No (with STD code) / Mobile _____
SCSB / BANK BRANCH STAMP & CODE	SCSB / BANK BRANCH SERIAL NO.	2. PAN OF SOLE/FIRST APPLICANT
3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		6. INVESTOR STATUS <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Non-Resident Indians (Non-Repatriation Basis) - NRI <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please Specify) - OTH
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		
4. APPLICATION DETAILS No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs. 28/- per share ^{1 & 2} (In Figures) _____ (In Words) _____		5. CATEGORY <input type="checkbox"/> Retail <input type="checkbox"/> Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB
¹ Please note that applications must be made in minimum of 4,000 shares and further multiples of 4,000 shares accordingly. ² Please note that the trading of equity shares will be only in dematerialised mode on the NSE Emerge Platform.		
7. PAYMENT DETAILS		PAYMENT OPTION : Full Payment
Amount Paid in Advance: _____ 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 APPLICATION FORM AND THE ATTACHED FORM 2A AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR 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 APPLICATION FORM GIVEN OVERLEAF.		
8 A. SIGNATURE OF SOLE / FIRST APPLICANT Date: _____, 2016	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCBS to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	BROKER / SCBS / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
TEAR HERE		
NANDANI CREATION LIMITED - PUBLIC ISSUE - R		Acknowledgement Slip for Broker / SCBS / DP / RTA
DPID / CLID: _____ PAN: _____		Application Form No.
Received from Mr./Ms. _____ Address: _____ Telephone / Mobile: _____	No. of Equity Shares applied for in Figures: _____ Amount Paid in Advance: _____ ASBA Bank A/c No.: _____ Bank & Branch: _____	SCSB Branch Stamp & Signature: _____
TEAR HERE		
NANDANI CREATION LIMITED - PUBLIC ISSUE - R	In Figures: _____ In Words: _____ No. of Equity Shares: _____ Amount Paid (₹): _____ ASBA Bank A/c No.: _____ Bank & Branch: _____	Stamp & Signature of Broker / SCBS / DP / RTA: _____ Name of Sole / First Applicant: _____ Acknowledgement Slip for Applicant Application Form No.

NR Application Form

TEAR HERE

PLEASE FOLD TO FOLLOW DIRECTIONS

TEAR HERE

COMMON APPLICATION FORM		NANDANI CREATION LIMITED - PUBLIC ISSUE - NR		FOR NON-RESIDENT INCLUDING ELIGIBLE NRIs, FPIs or FVCI'S ETC. APPLYING ON A REPATRIATION BASIS	
 To, The Board of Directors NANDANI CREATION LIMITED F 95, Kartarpura Industrial Area, Near 22 Godam, Jaipur - 302 006 Tel.: +91 141 4037396; Fax: Not Available, CIN: U18101RJ2012PLC037376		FIXED PRICE SME ISSUE INE696V01013		Date: _____ Application Form No. _____	
BROKER'S / SCBS / DP / RTA STAMP & CODE		SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT	
				Mr. / Ms. _____ Age _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____	
SCSB / BANK BRANCH STAMP & CODE		SCSB / BANK BRANCH SERIAL NO.		2. PAN OF SOLE/FIRST APPLICANT	
3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS		<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		6. INVESTOR STATUS	
				<input type="checkbox"/> Non-Resident Indians (Repatriation basis) NRI <input type="checkbox"/> FII or Sub Account not a Corporate / Foreign Individual FII <input type="checkbox"/> FII Sub Account Corporate/Individual FII SA <input type="checkbox"/> Foreign Venture Capital Investor FVCI <input type="checkbox"/> Foreign Portfolio Investors FPI <input type="checkbox"/> Others (Please Specify) OTH	
For NSDL enter 8 Digit DPID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.					
4. APPLICATION DETAILS				5. CATEGORY	
No. of Equity Shares of ₹10/- each applied at the Issue Price i.e. at ₹ 28/- per share ^{1&2}				<input type="checkbox"/> Retail Individual <input type="checkbox"/> Non Institutional <input type="checkbox"/> QIB	
(In Figures)		(In Words)			
¹ Please note that applications must be made in minimum of 4,000 shares and further multiples of 4,000 shares accordingly. ² Please note that the trading of equity shares will be only in dematerialised mode on the NSE Emerge Platform.					
7. PAYMENT DETAILS				PAYMENT OPTION : Full Payment	
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 APPLICATION FORM AND THE ATTACHED FORM 2A AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVER LEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVER LEAF					
8 A. SIGNATURE OF SOLE / FIRST APPLICANT		8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)		BROKER / SCBS / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)	
		I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue			
TEAR HERE					
		NANDANI CREATION LIMITED - PUBLIC ISSUE - NR		Acknowledgement Slip for Broker / SCBS / DP / RTA	
DPID / Client ID				Application Form No. _____	
Received from _____		No. of Equity Shares Applied for:		SCSB Branch Stamp & Signature	
Address _____		in Figures _____			
		in words _____			
		Amount Paid (₹ in figures) _____			
Telephone/Mobile _____		ASBA Bank A/c No. _____		Name of Bank & Branch _____	
Email _____					
TEAR HERE					
NANDANI CREATION LIMITED - PUBLIC ISSUE - NR		Stamp & Signature of Broker / SCBS / DP / RTA		Name of Sole / First Applicant	
No. of Equity Shares _____					
Amount Paid (₹) _____					
ASBA Bank A/c No.: _____				Acknowledgement Slip for Applicant	
Bank & Branch: _____					
				Application Form No. _____	

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants 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:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, 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 Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:
Any person who:
 - makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or
 - makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
 - otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,
 Shall be liable for action under section 447 of the said Act.
- (d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

- (a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim ("PAN Exempted Applicants"). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

- (a) The Issuer may mention Price in the Prospectus. However a prospectus registered with RoC contains one price.
- (b) Minimum And Maximum Application Size

i. For Retail Individual Applicants

The Application must be for a minimum of 4,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 4,000 Equity Shares.

ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 4,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to any other Application Collecting

Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

- (d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e) The following applications may not be treated as multiple Applications:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- (c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD 7: PAYMENT DETAILS

- (a) Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1 Payment instructions for Applicants

- (a) Applicants may submit the Application Form in physical mode to the Application Collecting Intermediaries.
- (b) Applicants should specify the Bank Account number in the Application Form.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one Bank Account, a maximum of five Application Forms can be submitted.
- (f) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained. In case Applicant applying through Application Collecting Intermediary other than SCSB, after verification and upload, the Application Collecting Intermediary shall send to SCSB for blocking of fund.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.8 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ partial/ non allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.1.8.2 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

- (a) All communications in connection with Applications made in the Issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblocking of funds, the Applicants should contact the Registrar to the Issue.
 - ii. In case of applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (b) The following details (as applicable) should be quoted while making any queries -
 - i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application And ASBA Account Number and Name.
 - ii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.



4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application 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 applications till closure of the Issue period
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

Revision Form – R

COMMON REVISION FORM	NANDANI CREATION LIMITED - PUBLIC ISSUE - REVISION - R	FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON REPATRIATION BASIS																																																																																																																						
	To, The Board of Directors NANDANI CREATION LIMITED F 95, Kartarpura Industrial Area, Near 22 Godam, Jaipur - 302 006 Tel: +91 141 4037596; Fax: Not Available; CIN: U18101RJ2012PLC037976	FIXED PRICE SME ISSUE INE696V01013 Date: _____ Application Form No. _____																																																																																																																						
BROKER'S / SCSEB / DP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ Age _____ Tel. No (with STD code)/Mobile _____																																																																																																																						
SCSB / BANK BRANCH STAMP & CODE	SCSB / BANK BRANCH SERIAL NO.	2. PAN OF SOLE/FIRST APPLICANT _____ 3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 digit DPID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID																																																																																																																						
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7 A. SIGNATURE OF SOLE / FIRST APPLICANT _____ Date: _____, 2016	7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER (s) (AS PER BANK RECORDS) I/We authorize the SCSEB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	BROKER / SCSEB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System) _____																																																																																																																						
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NANDANI CREATION LIMITED - PUBLIC ISSUE - REVISION - R	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> </thead> <tbody> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Issue Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Additional Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Issue Price				Additional Amount Paid (₹)				Name of Sole / First Applicant _____ Acknowledgment Slip for Applicant _____ Application Form No. _____																																																																																																						
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4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: APPLICATION REVISION ‘FROM’ AND ‘TO’

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM

4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investors Application	To the Application Collecting Intermediaries as mentioned in the Prospectus/ Application Form

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Application Collecting Intermediaries and apply only through ASBA facility.

ASBA Applicants may submit an Application Form either in physical/electronic form to the Application Collecting Intermediaries authorising blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

6 GROUND OF REJECTIONS

Applicants are advised to note that Applications 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;
- Application by persons not competent to contract under the Indian Contract Act, 1872 (other than minor having valid depository accounts as per demographic details provided by the depository);
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 4,000;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole/ first Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing

Date , unless the extended time is permitted by NSE.

- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE APPLICATION COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being Fixed Price Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the Emerge Platform of NSE (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:

- The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- For applications where the proportionate allotment works out to less than 4,000 equity shares the allotment will be made as follows:
 - Each successful Applicant shall be allotted 4,000 equity shares; and
 - The successful Applicants out of the total applicants 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 (2) above.
- If the proportionate allotment to an Applicant works out to a number that is not a multiple of 4,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 4,000 equity shares subject to a minimum allotment of 4,000 equity shares.
- If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 4,000 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 Prospectus.
- The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:

- i. As per Regulation 43 (4) of 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 applicants 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 applicants in the other category, if so required.

‘Retail Individual Investor’ means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE – the Designated Stock Exchange in addition to Lead Managers 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. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**
- Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
 - (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant’s depository account is completed within 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 5 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 5 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is

sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the 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, and as disclosed in the Prospectus.

8.2.2 MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this 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 substitution 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 Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1 Mode of making refunds

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not done within the 4 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Portion	Up to 30% of the QIB Category which may be allocated by the Issuer in consultation with the Lead Managers, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Applicant	The Applicant whose name appears first in the Application Form or Revision Form
Application	An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Application Collecting Intermediaries	<ul style="list-style-type: none"> 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)
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Banker(s) to the Issue/	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Public Issue Account(s) may be opened, and as disclosed in the Prospectus and Bid cum Application Form of the Issuer

Term	Description
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified)
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on- http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Prospectus/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Draft Prospectus	The draft prospectus filed with the Designated stock exchange in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoter and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
Fixed Price Issue/ Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
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
FPI(s)	Foreign Portfolio Investor
FPO	Further public offering
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issue Closing Date	The date after which the SCSBs may not accept any Application for

Term	Description
	the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the Prospectus for the Issue Opening Date
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Lead Manager(s)/Lead Manager/ LM	The Lead Managers to the Issue as disclosed in the Prospectus and the Bid Application Form of the Issuer.
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition — nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
Net Issue	The Issue less Market Maker Reservation Portion
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid 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 Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange

Term	Description
NSE EMERGE/ SME Segment of NSE	Emerge Platform of NSE
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the Draft Prospectus/ Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 26 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date
QIB Category Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009
Refunds through electronic transfer of funds	Refunds through ASBA
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Prospectus and Bid cum Application Form
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than Rs. 2,00,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 2,00,000.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
RTGS	Real Time Gross Settlement
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://

Term	Description
	http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulations
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/SE	The stock exchanges as disclosed in the Draft Prospectus/ Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated June 3, 2016 entered into between the Underwriter and our Company
Working Day	All days other than Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Issue Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2016 (“**FDI Policy 2016**”), which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. Further, DIPP has issued Press note 5, dated June 24, 2016 which introduces few changes in FDI Policy 2016. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2016 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2016, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act), except

pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Prospectus or otherwise in respect of the Bonds, in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Prospectus or otherwise in respect of the Bonds. Any forwarding, distribution or reproduction of this document in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions of the Bonds and the information contained in this 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 Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them 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 Nandani Creation 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	In Writing and Written

Sr. No	Particulars	
	lithography and other modes of representing or reproducing words in a visible form.	
(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
(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	Expressions in the Act to bear the same meaning in Articles

Sr. No	Particulars	
	Act or any statutory modifications thereof for the time being in force.	
	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 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.	Increase of capital by the Company how carried into effect
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.	On the issue of redeemable preference shares under the	Provisions to apply on issue

Sr. No	Particulars	
	<p>provisions of Article 7 hereof , the following provisions- shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	of Redeemable Preference Shares
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</p>	Debentures

Sr. No	Particulars	
	otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	Issue of Sweat Equity Shares
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	ESOP
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy Back of shares
15.	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 the amount of the shares so cancelled.	Consolidation, Sub-Division And Cancellation
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	Modification of rights

Sr. No	Particulars	
	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.	
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 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.	Shares should be 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	Acceptance of Shares.

Sr. No	Particulars	
	on the Register shall for the purposes of these Articles, be a Member.	
24.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	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, 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	Share Certificates.

Sr. No	Particulars	
	<p>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.	<p>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</p>	<p>Issue of new certificates in place of those defaced, lost or destroyed.</p>

Sr. No	Particulars	
	<p>company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. 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.	(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.	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	Commission

Sr. No	Particulars	
	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.	
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 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. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	Directors may make calls
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	Calls to carry interest.

Sr. No	Particulars	
	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.	
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 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.	Proof on trial of suit for money due on shares.
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.	(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	Payments in Anticipation of calls may carry interest

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	<p>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>	
	LIEN	
46.	<p>The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p>	Company to have Lien on shares.
47.	<p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>	As to enforcing lien by sale.
48.	<p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such</p>	Application of proceeds of sale.

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	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.	
	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 respect of the forfeited share and not actually paid before the forfeiture.	On default of payment, shares to be forfeited.
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	Notice of forfeiture to a Member

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	made in the Register of Members.	
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 irregularly 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	Forfeiture may be remitted.

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	Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	
60.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	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	Transfer not to be registered except on production of instrument of transfer.

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	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.	
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— (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;	Directors may refuse to register transfer.
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 pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	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.

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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.	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. 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>	Recognition of legal representative.
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	Notice of application when to

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	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.	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 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.	Board may require 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	Company not liable for disregard of a notice prohibiting registration of transfer.

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	liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	
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.	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	Nomination
82.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver 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</p>	Transmission of Securities by nominee

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	<p>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>	
	DEMATERIALIZATION 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.	(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.	Joint and several liabilities for all payments in respect of shares.
	(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;	Title of survivors.
	(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	Receipts of one sufficient.
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	Delivery of certificate and giving of notices to first named holders.
	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	Power to issue share warrants

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	may, from time to time, require, issue a share warrant.	
87.	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	Deposit of share warrants
88.	<p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	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.	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>	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 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	Rights of stock holders.

Sr. No	Particulars	
	amount of stock which would not, if existing in shares , have conferred that privilege or advantage.	
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	Securing payment or repayment of Moneys borrowed.

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	undertaken by the Company or any person or Company as the case may be.	
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 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.	Bonds, Debentures etc. to be under the 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 surety 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 requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(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.	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,	Chairman of General Meeting

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	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.	
104.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.
105.	<p>a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	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	Number of votes each member entitled.

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	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.	
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 cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one 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	Representation of a body corporate.

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	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.	
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.	Members paying money in advance.
	(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 not prohibited if share not held for any specified period.
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	Appointment of a Proxy.

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	appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	
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 Shares in the Company.	Qualification shares.
128.	<p>(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</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial</p>	Nominee Directors.

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	<p>Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	
129.	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.
130.	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
131.	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.
132.	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 from time to time) for attending meetings of the Board or Committees thereof.	Sitting Fees.
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	Meetings of Directors.

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	<p>it thinks fit.</p> <p>(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.</p>	
135.	<p>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.</p> <p>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.</p>	Chairperson
136.	<p>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.</p>	Questions at Board meeting how decided.
137.	<p>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.</p>	Continuing directors may act notwithstanding any vacancy in the Board
138.	<p>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.</p>	Directors may appoint committee.
139.	<p>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.</p>	Committee Meetings how to be governed.
140.	<p>a) A committee may elect a Chairperson of its meetings.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the</p>	Chairperson of Committee Meetings

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	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.

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	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.
	(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	To secure contracts by way of mortgage.

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	capital for the time being or in such manner as they think fit.	
	(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 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.	To conduct legal proceedings.
	(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	To determine signing powers.

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	Board or by way of a power of attorney or otherwise.	
	(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, 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 depredation 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.	Transfer to Reserve Funds.
	(19) To appoint, and at their discretion remove or	To appoint and remove

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	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.	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 powers, authorities and discretion for the time being vested in them.	To appoint Attorneys.
	(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.

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	(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 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,	

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	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>(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</p>	

Sr. No	Particulars	
	with.	
	MANAGING AND WHOLE-TIME DIRECTORS	
146.	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	Powers to appoint Managing/ Wholetime 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</p>	Powers and duties of Managing Director or Whole-time Director.

Sr. No	Particulars	
	<p>behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
149.	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer
	THE SEAL	
150.	(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	The seal, its custody and use.

Sr. No	Particulars	
	<p>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>	
151.	<p>The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.</p>	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 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>	Division of profits.
153.	<p>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.</p>	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</p>	Transfer to reserves

Sr. No	Particulars	
	time, thinks fit. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	
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 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.	No Member to receive dividend whilst indebted to 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	Dividends how remitted.

Sr. No	Particulars	
	to the order of the person to whom it is sent.	
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.	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	Capitalization.
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>	Fractional Certificates.

Sr. No	Particulars	
	<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>	
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
	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	

Sr. No	Particulars	
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.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
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,	Not responsible for acts of

Sr. No	Particulars	
	Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	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 Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the Registrar of Companies for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at F-95, Kartarpura Industrial Area, Near 22 Godam, Jaipur-302006, Rajasthan from date of filing the Prospectus with Registrar of Companies to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated August 30, 2016 between our Company and the Lead Managers.
2. Registrar Agreement/ MOU dated August 30, 2016 between our Company and Bigshare Services Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated August 30, 2016 between our Company and Underwriters viz. Lead Managers.
4. Market Making Agreement dated September 19, 2016 between our Company, Market Maker and the Lead Managers.
5. Public Issue Banker/Banker to the Issue Agreement dated August 30, 2016 amongst our Company, the Lead Managers, Public Issue Bank/ Banker to the Issue and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated September 12, 2016
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated September 12, 2016

Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board dated August 02, 2016 authorizing the Issue
3. Special Resolution of the shareholders passed at the EGM dated August 02, 2016 authorizing the Issue.
4. Statement of Possible Special Tax Benefits dated August 24, 2016 issued by our Peer Reviewed Auditor R.T. Jain & Co, Chartered Accountants.
5. Report of the Peer Reviewed Auditor, R.T. Jain & Co, Chartered Accountants, dated August 24, 2016 on the Restated Financial Statements for the financial year ended as on March 31, 2016, 2015, 2014, and 2013 of our Company.
6. Consents of Promoters, Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Legal Advisor to the Issue, the Lead Managers and Underwriters, Registrar to the Issue, Market Maker, Public Issue Bank/Banker to the Issue and Refund Banker to the Issue, Banker to the Company, to act in their respective capacities.
7. Copy of approval from National Stock Exchange of India Limited *vide* letter dated September 20, 2016, to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE India Limited.

None of the contracts or documents mentioned in this 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 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 Prospectus are true and correct.

Signed by all the Directors of our Company

Name and designation	Signature
<i>Anuj Mundra</i> <i>Chairman & Managing Director</i>	Sd/-
<i>Vandna Mundra</i> <i>Whole-time Director</i>	Sd/-
<i>Sunita Devi Mundhra</i> <i>Whole-time Director</i>	Sd/-
<i>Gaurav Jain</i> <i>Additional Independent Director</i>	Sd/-
<i>Neetesh Kabra</i> <i>Additional Independent Director</i>	Sd/-
<i>Gagan Saboo</i> <i>Additional Independent Director</i>	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance Officer of our Company

Sd/-

Dwarka Dass Mundhra
Chief Financial Officer

Sd/-

Priya Kshtriya
Company Secretary and Compliance Officer

Place: Jaipur

Date: September 22, 2016

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.	Vidli Restaurants Limited	1.31	10.00	February 15, 2016	12.00	149.50 % (4.23%)	174.50% (8.91%)	400.00% (19.52%)
2.	Ruby Cables Limited	10.50	50.00	April 13, 2016	50.90	0.00% (-0.54%)	-18.40% (8.51%)	Not Applicable
3.	Sysco Industries Limited	2.17	10.00	April 13, 2016	12.00	117.50%(-0.54%)	92.00% (8.51%)	Not Applicable
4.	Lancer Container Lines Limited	1.848	12.00	April 13, 2016	12.60	32.08%(-0.54%)	31.25% (8.51%)	Not Applicable
5.	Yash Chemex Limited	2.51	23.00	June 20, 2016	23.85	18.26% (3.90%)	9.13% (6.58%)	Not Applicable
6.	Titaanium Ten Enterprise Limited	2.74	15.00	July 14, 2016	16.00	15.33% (0.75%)	Not Applicable	Not Applicable
7.	Commercial Syn Bags Limited	7.66	24.00	July 14, 2016	28.80	49.58% (0.75%)	Not Applicable	Not Applicable
8.	Shiva Granito Export Limited	5.04	12.00	September 06, 2016	13.95	Not Applicable	Not Applicable	Not Applicable
9.	Sprayking Agro Equipment Limited	1.86	21	September 14, 2016	24.00	Not Applicable	Not Applicable	Not Applicable
10.	Narayani Steels Limited	11.52	32	September 14, 2016	33.45	Not Applicable	Not Applicable	Not Applicable

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.

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY INDIAN OVERSEAS BANK

Note: In terms of SEBI Circular - CIR/CFD/DIL/7/2015 October 30, 2015, Disclosure of Price Information of past issues handled by each Merchant Banker/ Lead Manager is to be given for three financial years (current financial year and two financial years preceding the current financial year). One of the Lead Managers to this issue, Indian Overseas Bank has not handled any issue since last three financial years.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	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	6.855	-	-	-	-	1	-	-	-	-	-	1	-
14-15	**5	56.844	-	-	-	-	-	5	-	-	-	-	2	3
15-16	***9	54.01	-	-	1	2	2	4	-	-	2	4	3	-
16-17	****9##	45.84	-	-	-	1	2	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 and Narayani Steels 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 and September 14, 2016 respectively.

##The Scripts of 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 and Narayani Steels Limited have not completed 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 30 Days, 30 Days and 30 Days respectively from the date of listing.