



Our Company was originally incorporated as “Mac Hotels Private Limited” at Panaji, Goa as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 20, 1990 bearing Registration Number 01100 issued by Registrar of Companies, Goa, Daman & Diu. Subsequently, our Company was converted into Public Company pursuant to Shareholders resolution passed at the Extra Ordinary General Meeting of our Company held on July 27, 2017 and the name of our Company was changed to “Mac Hotels Limited” and a fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated August 10, 2017 was issued by the Registrar of Companies, Goa, Daman & Diu. The Corporate Identification Number (CIN) of our Company is U55101GA1990PLC001100. For details of Incorporation, change of name and Registered Office of our Company, please refer to chapters titled “General Information” and “History and Certain Other Corporate Matters” beginning on page 47 and 104 of this Prospectus.

**Registered Office:** First Floor, Beach Plaza (Annexee), Nomxin, Caranzalem, Ilhas, Goa, Panaji - 403001, Goa, India  
**Tel. No:** 0832-2464299; **Fax No.:** NA

**Contact Person:** Priyanka Sen, Company Secretary and Compliance Officer  
**E-mail:** [investor@machotels.net](mailto:investor@machotels.net); **Website:** [www.machotels.net](http://www.machotels.net)

**PROMOTERS OF OUR COMPANY:** EDGAR COTTA, EDWIN COTTA AND HOTEL MIRAMAR COMFORT PRIVATE LIMITED

#### THE OFFER

**PUBLIC OFFER OF 8,10,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH (“EQUITY SHARES”) OF MAC HOTELS LIMITED (THE “COMPANY” OR “ISSUER”) FOR CASH AT A PRICE OF RS. 24/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. 14/- PER EQUITY SHARE), AGGREGATING UPTO RS. 194.40 LAKHS (“THE OFFER”), COMPRISING AN OFFER FOR SALE OF 8,10,000 EQUITY SHARES BY HOTEL MIRAMAR COMFORT PRIVATE LIMITED (REFERRED TO AS THE “PROMOTOR/SELLING SHAREHOLDER) AGGREGATING UPTO RS. 194.40 LAKHS BY THE PROMOTOR/SELLING SHAREHOLDER (“OFFER FOR SALE”). THE OFFER COMPRISES OF 42,000 EQUITY SHARES OF FACE VALUE RS. 10 EACH FOR CASH AT A PRICE OF RS. 24/- PER EQUITY SHARE, AGGREGATING RS. 10.08 LAKHS WHICH WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE “MARKET MAKER RESERVATION PORTION”). THE OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF 7,68,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 24/- PER EQUITY SHARE, AGGREGATING RS. 184.32 LAKHS IS HEREINAFTER REFERED TO AS THE “NET OFFER”. THE OFFER AND THE NET OFFER WILL CONSTITUTE 27.00% AND 25.60%, RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH AND THE OFFER PRICE OF RS. 24/- IS 2.4 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 Offer only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to the chapter titled “Offer Procedure” beginning on page 207 of this Prospectus. A copy will be delivered for registration to the Registrar as required under Section 26, 28 and 32 of the Companies Act, 2013.**

**THE OFFER 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 ‘TERMS OF THE OFFER’ BEGINNING ON PAGE 200 OF THIS PROSPECTUS.**

#### RISKS IN RELATION TO FIRST OFFER

**This being the first public offer of our Company, 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 Offer price of Rs. 24/- per Equity Share is 2.4 times of the face value. The Offer Price (as determined and justified by our Company in consultation with the Lead Manager as stated in the chapter titled ‘Basis for Offer Price’ beginning on page 67 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 Offer 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 the offer. For taking an investment decision, investors must rely on their own examination of the Company and the offer, including the risks involved. The Equity Shares offered in the offer 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 14 of this Prospectus.**

#### COMPANY’S & SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY

**Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, 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 or inclusion 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. Further, the Selling Shareholder accepts responsibility for and confirm only to the extent of the information in the statements specifically confirmed or undertaken by such Selling Shareholder and the respective proportion of the Offered Shares offered by it in this Prospectus.**

#### LISTING

**The Equity Shares of our Company offered through this Prospectus are proposed to be listed on the SME platform of BSE Limited (“BSE”). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009 as amended from time to time, our Company has received an In-Principal approval letter dated June 25, 2018 from BSE Limited for using its name in the Offer document for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Offer, SME Platform of the BSE shall be the Designated Stock Exchange.**

#### LEAD MANAGER TO THE OFFER

**GRETEX CORPORATE SERVICES PRIVATE LIMITED**  
**Registered Office:** Office no.102, 1st Floor, Kanakia Atrium-2, Chakala Andheri Kurla Road, Behind Courtyard Marriot, Mumbai – 400 093  
**Tel No.:** +91 – 33 – 4006 9278  
**Fax No.:** +91 – 33 – 4006 9278  
**SEBI Registration No:** INM000012177  
**Email:** [info@gretexgroup.com](mailto:info@gretexgroup.com)  
**Website:** [www.gretexcorporate.com](http://www.gretexcorporate.com)  
**Contact Person:** Ms. Kritika Rupda



#### REGISTRAR TO THE OFFER

**BIGSHARE SERVICES PRIVATE LIMITED**  
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059  
**Tel:** +91 22 62638200  
**Fax:** +91 22 62638299  
**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Investor Grievance Id:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Contact Person:** Nilesh S Chalke  
**SEBI Registration Number:** INR000001385



#### OFFER PROGRAMME

**OFFER OPENS ON SEPTEMBER 19, 2018**

**OFFER CLOSES ON SEPTEMBER 25, 2018**



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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

All references to “Our Company”, “we”, “our”, “us” or “Mac Hotels Limited”, are to our Company which is incorporated under the Companies Act, 1956 and having its Registered Office at First Floor Beach Plaza (Annexee) Nomxin Caranzalem, Ilhas, Panaji – 403 001, Goa, India.

The words and expressions used in this Prospectus, but not defined herein, shall have the same meaning ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, and the SCRA, the Depositories Act and the rules and regulations made there under, as the case may be. Notwithstanding the foregoing, the terms not defined but used in the sections titled “*Statement of Possible Tax Benefits*”; “*Financial Statements as Restated*”; “*Outstanding Litigation and Material Developments*”; and “*Main Provisions of Articles of Association*” beginning on pages 69,133,176 and 249 respectively, shall have the meanings ascribed to such terms in these respective sections.

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

#### Company and Selling Shareholder Related Terms

Term	Description
“Mac Hotels Limited” or “Mac”, “MHL” or “the Company”, or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuing Company”	Unless the context otherwise requires, refers to Mac Hotels Limited, a public limited Company incorporated under the Companies Act, 1956
AOA / Articles / Articles of Association	Articles of Association of the Company, as amended from time to time
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013
Bankers to the Company	Such banks which are disclosed as Bankers to the Company in the chapter titled “ <i>General Information</i> ” on page 47 of this Prospectus
Board of Directors/ the Board / our Board	The Board of Directors of Mac Hotels Limited, including all duly constituted Committee(s) thereof
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Priyanka Sen
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each fully paid up unless otherwise specified in the context thereof
Group Companies	Such Companies as are included in the chapter titled “ <i>Group Entities of our Company</i> ” beginning on page 127 of this Prospectus
HMCPL	Hotel Miramar Comfort Private Limited
ISIN	International Securities Identification Number. In this case being INE004Z01011.
MLVPL	Mac Leisure Ventures Private Limited
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our Company, as amended from time to time
Peer Reviewed Auditor	Independent Auditor having a valid Peer Review Certificate in our case being M/s N. K. Aswani & Co., Chartered Accountants
Promoter Group	Persons and entities constitute our promoter group in terms of Regulation 2(1) (zb) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 122 of this Prospectus
Promoter or Promoters or our Promoters	Individual Promoters of our Company being Edgar Maximiano Do Rosario Cotta and Edwin E R Cotta and Corporate Promoter of our



Term	Description
	Company being Hotel Miramar Comfort Private Limited
Registered Office	The Registered office of our Company situated at First Floor, Beach Plaza (Annexee), Nomxin, Caranzalem, Ilhas, Panaji – 403 001, Goa, India
RoC / Registrar of Companies	The Registrar of Companies, Goa, Daman & Diu located at Company Law Bhawan, EDC Complex, Plot No. 21, Patto, Panaji – 403 001, Goa, India
Selling Shareholder	Hotel Miramar Comfort Private Limited
Hotel Miramar Comfort Private Limited offered shares	8,10,000 Equity Shares offered by Hotel Miramar Comfort Private Limited in the Offer for Sale as per authorization letter dated May 08, 2018
Shareholders	Shareholders of our Company
Statutory Auditor / Auditor	The Statutory Auditor of our Company, being Milind Kulkarni & Associates, Chartered Accountants.
you, your or yours	Prospective investors in this Offer

### Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to offer of Equity Shares to the successful Applicants
Allot/ Allotment/ Allotted	Unless the context otherwise requires, offer and/ allotment of Equity Shares of our Company pursuant to the offer to successful Applicants.
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 Exchange.
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 through ASBA in terms of the Prospectus. (All the applicants should make application through ASBA only).
Application	An indication to make an offer during the offer Period by an Applicant pursuant to submission of an Application Form, to subscribe for or purchase our Equity Shares at offer Price, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Collecting Intermediaries / Designated Intermediaries	<ol style="list-style-type: none"> <li>1. an SCSB, with whom the bank account to be blocked, is maintained</li> <li>2. a syndicate member (or sub-syndicate member), if any</li> <li>3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')</li> <li>4. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</li> <li>5. a registrar to an offer and Share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</li> </ol>
Application Form	The form, whether physical or electronic, in terms of which the Applicant shall make an application to subscribe to the Equity Shares of our Company.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by all Applicants to make application authorizing a SCSBs to block the application amount in the ASBA Account maintained with such SCSBs.
ASBA Account	Account maintained by an ASBA applicant with SCSBs which will be blocked by such SCSBs to the extent of the appropriate Application

Term	Description
	Amount and as defined in the Application Form.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Goa.
ASBA Investor/ASBA applicant	Any prospective investor(s) / applicants(s) in this offer who apply(ies) through the ASBA process
Banker(s) / Refund Banker to the offer /Public Offer Banker(s)	The banks which are clearing members and registered with SEBI as Banker to the offer with whom the Public offer Account and Refund Account will be opened and in this case being ICICI Bank Limited
Basis of Allotment	The basis on which the Equity Shares will be allotted to successful applicants under the offer and which is described in the chapter titled “Offer Procedure” beginning on page 207 of this Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of the BSE on the following link: - <a href="http://www.bseindia.com/Markets/PublicOffers/brokercentres_new.aspx?expandable=6">http://www.bseindia.com/Markets/PublicOffers/brokercentres_new.aspx?expandable=6</a>
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to Demat account.
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
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this offer made by the Applicants with the Lead Manager, the Registrar to the offer and the Stock Exchanges, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
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/DP	A depository participant as defined under the Depositories Act, 1996.
Designated CDP Locations	Such centres of the CDPs where Applicant can submit the Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchanges and updated from time to time
Designated Date	The date on which the amount blocked by the SCSBs is transferred from the ASBA Accounts to the Public Offer Account or the amount is unblocked in the ASBA Account, as appropriate, after the offer is closed, following which the equity shares shall be allotted to the successful applicants in terms of this Prospectus.
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 website of the Stock Exchanges and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application

Term	Description
	Form from the ASBA Applicant and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility">http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility</a>
Designated Stock Exchange	SME Exchange of BSE Limited
Eligible NRI	NRI from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the offer and in relation to whom this Prospectus constitutes an invitation to subscribe for the Equity Shares offered herein on the basis of the terms thereof.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
General Information Document	The General Information Document for investing in public Offers prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the SME Platform of BSE Limited
LM / Lead Manager	The Lead Manager for the Offer being Gretex Corporate Services Private Limited, SEBI registered Category I Merchant Banker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Gretex Share Broking 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 42,000 Equity Shares of face value of Rs. 10 each fully paid at an Offer Price of Rs. 24/- each to be subscribed by Market Maker in this Offer.
Market Making Agreement	The Market Making Agreement dated May 15, 2018 and addendum dated September 05, 2018 between our Company, Selling Shareholder, Lead Manager and Market Maker.
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net offer	The offer (excluding the Market Maker Reservation Portion) of 7,68,000 Equity Shares of face value Rs. 10/- each fully paid of Mac Hotels Limited for cash at a price of Rs. 24/- per Equity Share (the "Offer Price") aggregating Rs. 184.32 Lakhs.
Net Proceeds	The offer Proceeds, less the offer related expenses, received by the Company.
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 official Gazette of India.
Non-Institutional Investors or NIIs	All Applicants, including Category III FPIs that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have applied for Equity Shares for an amount of more than Rs. 2,00,000 but not including NRIs other than Eligible NRIs
Offer Agreement	The agreement dated May 15, 2018 between our Company, Selling Shareholder and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the offer.
Offer Closing Date	The date on which offer closes for subscription; in this case being September 25, 2018
Offer Opening Date	The date on which offer opens for subscription; in this case being September 19, 2018
Offer Period	The period between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Offer Price	The price at which Equity Shares are being offered and allotted by our Company under this Prospectus being Rs. 24/- per Equity Share of face value of Rs. 10/- each fully paid.



Term	Description
Offer Proceeds	Proceeds to be raised by our Company through this Offer being Rs. 194.40 lakhs, for further details please refer chapter title “Objects of the Offer” beginning on page 64 of this Prospectus.
Offer/ Offer Size/ Initial Public Offer / Initial Public Offering/ IPO	Public Offer of 8,10,000 Equity Shares of face value Rs. 10 each fully paid of Mac Hotels Limited for cash at a price of Rs.24/- per Equity Share (the “Offer Price”) (including a premium of Rs. 14/- per Equity Share) aggregating Rs. 194.40 Lakhs.
Other Investors	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body / OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. 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. OCBs are not allowed to invest in this offer.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus, dated September 06, 2018 to be filed with the RoC in accordance with the provisions of Section 26 of the Companies Act, 2013 containing, <i>inter-alia</i> , the offer size, the offer opening and closing dates and other information
Public Offer Account	The Bank Account opened with the Public Offer Banker(s) to this Offer 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 Offer Account Agreement	An agreement entered into on May 15, 2018 between our Company, Selling Shareholder, Lead Manager, Banker and Refund Banker to the offer and Registrar to the offer for collection of the application amounts on the terms and condition 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 from which Application monies to be refunded to the applicants
Refund Bank/Refund Banker	Bank which is/are clearing member(s) and registered with the SEBI as Banker to the Offer at which the Refund Account will be opened, in this case being ICICI Bank Limited
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 <a href="http://www.bseindia.com/members/MembershipDirectory.aspx">http://www.bseindia.com/members/MembershipDirectory.aspx</a> & <a href="https://www1.nseindia.com/membership/dynaContent/find_a_broker.htm">https://www1.nseindia.com/membership/dynaContent/find_a_broker.htm</a>

Term	Description
Registrar / Registrar to the Offer/ RTI	Registrar to the Offer being Bigshare Services Private Limited having registered office at 1 <sup>st</sup> Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059, Maharashtra, India.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Reservation Portion	The portion of the offer 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 Individual Investors/RIIs	Individual applicants (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs. 2,00,000 in this offer.
Revision Form	The Form used by Applicants to modify the quantity of Equity Shares in any of their Application Forms or any Previous Revision Form(s)
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.
Self-Certified Syndicate Bank or SCSB	A Bank which is registered with SEBI under SEBI (Bankers to an Offer) Regulations, 1994 and offers services of ASBA including blocking of bank account, a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility">http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility</a>
SME Exchange	SME Platform of the BSE Limited
SME Platform of BSE	The SME Platform of BSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011
Specified Locations	Collection centres where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Underwriter(s)	Altina Securities Private Limited and Gretex Corporate Services Private Limited
Underwriting Agreement	The Agreement dated May 15, 2018 and addendum dated September 05, 2018 entered into between the Underwriter, Selling Shareholder and our Company.
Working Days	(i) Till Application / Offer closing date: All days other than a Saturday, Sunday or a Public holiday; (ii) Post Application / Offer 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

#### Conventional and General Terms and Abbreviations

Term	Description
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount





Term	Description
Authorised Dealers	Authorised Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
AY	Assessment Year
B. A.	Bachelor of Arts
B. Com	Bachelor of Commerce
Bn	Billion
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CCI	The Competition Commission of India
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
COPRA	The Consumer Protection Act, 1986
CST	Central Sales Tax
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, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections)
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP	Depository Participant
DP ID	Depository Participant's identity number
DTC	Direct Tax Code, 2013
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
EPA	The Environment Protection Act, 1986
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA



Term	Description
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA 2000	The Foreign Exchange Management (Transfer or Offer of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI/Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IDRA	The Industrial (Development and Regulation) Act, 1951
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IT Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961
M. A	Master of Arts
M.B. A	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
M. Com	Master of Commerce
MCI	Ministry of Commerce and Industry, GoI
MSME	Micro, Small and Medium Enterprise
MWA	Minimum Wages Act, 1948
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NA	Not Applicable
NAV	Net asset value
NI Act	The Negotiable Instruments Act, 1881
No.	Number
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000



Term	Description
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
Pcs	Pieces
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
PPP	Public Private Partnership
Public Liability Act/PLI Act	The Public Liability Insurance Act, 1991
Pvt./(P)	Private
PWD	Public Works Department of state governments
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC or Registrar of Companies	The Registrar of Companies, Goa, Daman & Diu
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
Sec.	Section
SGST	State GST
SHWW/SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.



Term	Description
The Stamp Act	The Rajasthan Stamp Act, 1998
TM Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923

#### Technical / Industry Related Terms

Term	Description
ASSOCHAM	The Associated Chambers of Commerce and Industry of India
CAGR	The Compound Annual Growth Rate
CPI	Consumer Price Index
CSO	Central Statistics Office
DARPAN	Digital Advancement of Rural Post Office for A New India
DIPP	Department of Industrial Policy and Promotion
DTVs	Domestic Tourist Visits
FEE	Foreign Exchange Earnings
FICCI	Federation of Indian Chambers of Commerce &
FTA	Foreign Tourist Arrival
GAV	Gross Value Added
GDP	Gross Domestic Product
GST	Goods and Services Tax
IBC	Insolvency and Bankruptcy Code
IBEF	India Brand Equity Foundation
ICRA	Indian Credit Rating Agency
IIP	Index of Industrial Production
IMF	International Monetary Fund
MoU	Memorandum of Understanding
MSP	Minimum Support Price
NBFCs	Non-Banking Financial Company
NSDC	National Skill Development Corporation
NSSF	National Small Savings Fund
OMO	Open Market Operations
PIB	Press Information Bureau
PRASAD	Pilgrimage Rejuvenation and Spiritual Augmentation Drive
SEIS	Services Exports from India Scheme
TFA	Trade Facilitation Agreement
THSSC	Tourism and Hospitality Sector Skill Council
UNESCO	The United Nations Educational, Scientific and Cultural Organisation
WEF	World Economic Forum
WEO	World Economic Outlook



## CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Mac Hotels Limited” and “MHL”, unless the context otherwise indicates or implies, refers to Mac Hotels Limited.

### Certain Conventions

All references in this Prospectus to “India” are to the Republic of India. All references in this Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

### Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from our audited financial statements for the financial years ended March 31, 2014, 2015, 2016, 2017 and 2018 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations and the Indian GAAP which are included in this Prospectus, and set out in “*Financial Statements as Restated*” on page 133 of this Prospectus.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between the Indian GAAP, the International Financial Reporting Standards (the “IFRS”) and the Generally Accepted Accounting Principles in the United States of America (the “U.S. GAAP”). Accordingly, the degree to which 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. Any reliance by persons not familiar with Indian accounting practices, the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to quantify the impact of the IFRS or the U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those under the U.S. GAAP or the IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points, except for figures in percentage. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

### Currency and units of presentation

In this Prospectus, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India; (b) ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America. All references to the word ‘Lakh’ or ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakhs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One Thousand Million’.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” and elsewhere in this Prospectus, unless otherwise indicated, have been calculated based on our restated financial statement prepared in accordance with Indian GAAP.

### Industry and Market Data

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

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 STATEMENTS

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

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

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

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” on page 14, 71 and 163 respectively of this Prospectus.

Forward looking statements reflects views as of the date of this Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the Lead Manager, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange



## 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 offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “*Our Business*” beginning on page 71, “*Our Industry*” beginning on page 71 and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 163 respectively, 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, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Prospectus. 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 Abbreviations*” beginning on page 1 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 risks:**

***1. There are several outstanding litigations against Our Company and our Promoters. Any adverse decision in such proceeding may render us liable to liabilities / penalties and may adversely affect our business, cash flows and results of operations.***

Our Company and our Promoters are currently involved in certain litigation. Any adverse decisions in such proceeding may impact financial condition of the Company.

Also, there is no assurance that in future, we, our promoters, our directors or group companies may not face legal proceedings; any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Companies and Subsidiaries see the chapter titled “*Outstanding Litigation and Material Developments*” on page 176 of this Prospectus.



Name of Entity	Criminal Proceedings	Civil/ Arbitration Proceedings	Tax Proceedings	Labour Disputes	Consumer Complaints	Complaints under Section 138 of NI Act, 1881	Aggregate amount involved (Rs. In lakhs)
<b>Company</b>							
By the Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoters</b>							
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	2	Nil	Nil	Nil	Nil	Not ascertainable
<b>Group Companies</b>							
By Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against Group Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Directors other than promoters</b>							
By the Directors	Nil	1	Nil	Nil	Nil	Nil	Not ascertainable
Against the Directors	Nil	1	Nil	Nil	Nil	Nil	Not ascertainable
<b>Subsidiaries</b>							
By the Subsidiaries	N.A.*	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Against the Subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**2. We face competition in our business from organized and unorganized players, which may adversely affect our business operations and financial condition.**

The hotel industry is highly and increasingly competitive and unorganised, and our results of operations and financial condition are sensitive to and may be materially adversely affected by competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins, lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations.

The segment which we cater our services are fragmented and continue to be dominated by unorganized players. Further we are situated in Goa, which is considered as one of the tourist destinations in India, having hospitality business in an unorganized sector especially on small and medium scale. Hotel industry also has many large conglomerates giving further competition to players like us. We compete primarily on the basis of quality, customer satisfaction and marketing. We believe that in order to compete effectively, we must continue to maintain our reputation, be flexible and prompt in responding to rapidly changing market demands and customer preferences and offer customer a wide variety of services at competitive prices. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

**3. Some of our corporate records including forms filed with the Registrar of Companies are not traceable. We cannot assure you that these forms filings will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect.**

Our Company is unable to trace certain corporate and other documents in relation to our Company including forms filed with the Registrar of Companies prior to the year 2006. Due to change in methods of record keeping on account of technological advancement and computerization, over the years, certain forms filed with ROC prior to the year 2006, could not be traced by our Company. Further online filing of RoC documents was initiated in the year 2006 and all



forms prior to the said year were physically filed, hence some of these forms could not be retrieved from Ministry of Corporate Affairs (MCA) portal. As such under the circumstances elaborated above, our Company cannot assure you that the filings were made in a timely manner or the information gathered through other available documents of the Company are correct. Also, our Company may not be in a position to attend to and / or respond appropriately to any legal matter due to lack of lost / destroyed records and to that extent the same could adversely affect our business operations.

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

Our Company has made delay in certain filings under various Statutory Acts applicable to it in the past years. Due to these delays in filings, our Company had on several occasions paid the requisite late fees. 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.

***5. Our Company has not complied with certain statutory provisions under Companies Act. Such non-compliances/lapses may attract penalties. Our resort has certain fixed costs that we may not be able to adjust to in a timely manner in response to a reduction in demand and revenues, and rising expenses could materially adversely affect our business, financial condition and results of operations.***

We are required to make significant investments to own and maintain our resort property. The fixed costs associated with owning hotels, including committed maintenance costs, property taxes, leasehold payments and maintaining minimum levels of services may be significant. As owners of the Hotel property we are required to incur certain fixed costs like leasehold rents and premium, property taxes etc on a recurring/continuous basis. Even if the demand for tourism is adversely affected, we will be required to continue to incur fixed costs to maintain our resort property. Further, we may be unable to reduce these fixed costs in a timely manner in response to changes in demand for services, and failure to adjust our fixed costs may adversely affect our business, financial condition and results of operations. Moreover, our properties may be subject to increases in operating and other expenses due to increasing age of the property and increases in property and other tax rates, utility costs, operating expenses, insurance costs, repairs and maintenance and administrative expenses, which could materially adversely affect our business, financial condition and results of operations.

***6. The hotel industry is cyclical and sensitive to changes in the economy and this could have a significant impact on our operations and financial results***

The hotel business is cyclical and sensitive to changes in the economy in general. The hotel sector may be unfavourably affected by such factors as changes in the global and domestic economies, changes in local market conditions, excess hotel supply or reduced demand for hotel rooms and associated services, competition in the industry, changes in interest rates, the availability of finance and other natural and social factors. Since demand for hotels is affected by economic growth in India as well as globally, a global or domestic recession could lead to a downturn in the hotel industry. Such adverse developments in the hotel industry in India or in the cities where our hotels are located would have a negative impact on our profitability and financial condition.

***7. Reduction or less than anticipated stay by guests or members at our properties may result in a loss of revenue generation opportunities and adversely impact our revenues.***

In the event of reduction or less than anticipated stay by our guests or members at our properties at any given time, may lead to a large number of unused rooms and other facilities. This could also lead to a loss of revenue generation opportunities.

***8. The Promoter Group of our Company has been identified to the limited extent of information made available by our Promoters.***

Our Company has communicated with each relative requiring their documents relating to investments for identification of promoter group. However, no reply has been received from Sara Noronha (Mother in law of Edgar Maximiano Do Rosario Cotta), Isabel Noronha (Sister in law of Edgar Maximiano Do Rosario Cotta), Maria Morajkar (Sister in law of Edgar Maximiano Do Rosario Cotta), Marlene Menezes (Sister in law of Edgar Maximiano Do Rosario Cotta). Further our individual promoter Edwin E R Cotta is not in contact with his father in law Masayuki Maeda, mother in law, Shige Maeda and Yukinobu Maeda, Brother in law and Yumi Maeda, Sister in law, as all of them are living in Japan and consequently have not been able to retrieve their information in this respect. Therefore, the disclosures made in this



Prospectus are limited to the extent of information that has been made available by our Promoters in relation to identification of Promoter Group and Group Companies.

**9. The hospitality industry is affected by consumer preferences and perceptions. Changes in these preferences and perceptions may affect the demand for our properties and adversely affect our operations.**

Hospitality industry is affected by changes in consumer preferences, national, regional and local economic conditions and demographic trends. Market perception of our properties and services may change which could impact our continued business success and future profitability. If we are unable to adapt our services successfully, meet changes in consumer demands and trends, our business and financial condition may be adversely affected. We are engaged in the hospitality industry and are driven by the quality of service we provide and by meeting the expectations of our clients. We strive to keep up with the evolving client requirements to enhance our existing business and level of customer service. Owing to increase in competition, and in the event that we are unable to identify and understand contemporary and evolving customer tastes or to deliver quality service as compared to our competitors, it could adversely affect our business.

**10. Our Company has not created provision for gratuity in the financial statement.**

The Company is required to assess its liability for gratuity based on actuarial valuation and make provision each year accordingly. However, no provision for gratuity has been created in the books of accounts of our Company. This may adversely affect the profitability of the Company at the time of discharge of such gratuity liability in future.

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

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

**Amount (₹ in Lakhs)**

Particulars	For the Year Ended March 31,				
	2018	2017	2016	2015	2014
Cash Flow from / (used in) Investing Activities	(37.50)	(321.47)	(22.68)	(45.81)	(17.56)
Cash Flow from / (used in) Financing Activities	(1.23)	241.92	5.34	(30.35)	(9.23)

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.

**12. We are subject to operating risks common in the Hotel industry.**


Our financial results are affected by occupancy and room rate achieved by our resort, our ability to control cost of developing and running additional rooms, the success of our food and beverage operations. Further our operating margins would be adversely affected by increase in electricity, insurance and environmental compliance expenses. Our resort would have to be renovated periodically to keep up with the changing trends and such renovation may involve significant development and maintenance costs. Our inability to manage the above operating risk would have a negative impact on our profitability and financial position.

**13. Our business is seasonal in nature.**


Our revenues and cash flows are affected by seasonality. Our resort is located at Goa, and so we are subject to low revenue during varying seasons in this location. In particular, the first and second quarters of our financial year include India's summer and monsoon seasons and international travellers to, and domestic travellers in, India are substantially fewer than in the other quarters of the year. To the extent this seasonality is not mitigated by a steady volume of business travel, our quarterly results of operations could fluctuate significantly.



**14. We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or**

**maintain. We have a logo which is used for our business purpose. Further one of the said logos  is not registered with the Registrar of Trademarks, Trademark Registry, Government of India as a result of which we may face legal proceedings in future which could adversely affect our business operations.**

We operate in an extremely competitive environment, where generating brand recognition is significant element of our business strategy. Our ability to market and sell our services depends upon the recognition of our brand names and

associated consumer goodwill. Our Company has applied for Registration of Logo  with the Registrar of Trademarks, Trademark Registry, Government of India. There is no guarantee that the application for registration of our logo will be accepted.

Therefore, we do not enjoy the statutory protection accorded to registered trademarks for the said logo and are subject to the various risks arising out of the same. There can be no assurance that we will be granted registration of our logo or other trademarks or any infringement of our intellectual property, causing damage to our business prospects, reputation and goodwill. 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. In case of failure to renew our intellectual property on time, it may adversely affect our business operations.

Our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects.

The material approvals, licences or permits required for our business include tax laws, environment laws and shops and establishment licences, among others.

For further details, please refer the chapter titled “Government and Other Statutory Approvals” on page 183 of this Prospectus.

**15. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of these approvals are required to be transferred to the name of “Mac Hotels Limited” from “Mac Hotels Private Limited” pursuant to conversion and name change of our company and any failure or delay in obtaining such approvals or renewal of the same in a timely manner may adversely affect our operations.**

We need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. We were a private limited company in the name of “MAC HOTELS PRIVATE LIMITED”. After complying with the relevant provisions and procedures of Companies Act, 2013, Our Company was converted into public limited company, followed by the name change of the Company to “MAC HOTELS LIMITED”. We shall be taking necessary steps for transferring the approvals in new name of our company. In case we fail to transfer/obtain the same in name of the company same may adversely affect our business or we may not be able to carry our business.

An approval like original TAN Allotment Letter is currently not traceable by the company. An Application dated September 4, 2017 has been made for Renewal of License under FSSAI (State and Central) Act, 2006 with Directorate of Drugs and Food Administration, Government of Goa, Application for Registration Certificate under Goa Daman and Diu Shops and Establishment Act, 1973 for registered office, Consent and Authorisation Application is made to Goa State Pollution Control Board and the same is pending.

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

For further details, please refer the chapter titled “Government and Other Statutory Approvals” on page 183 of this Prospectus.





***16. Our Company's failure to maintain the quality standards of the services could adversely impact our business, results of operations and financial condition.***

Our services depend on customer's expectations and choice or demand of the customer and trends in the hospitality industry. Any failure to maintain the quality standards of our services may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our services will always be able to satisfy our customers' quality standards. Any negative publicity regarding our Company, or services, including those arising from any deterioration in quality of our services from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

***17. Our Company does not own the land on which our registered office is situated. Any dispute in relation to the said premises would have a material adverse effect on our business and results of operations.***

We operate from our registered office situated at First Floor, Beach Plaza (Annexee), Nomxin, Caranzalem, Ilhas, Panaji – 403 001, Goa, India. The land on which our registered office is situated is owned by Maria Cotta, mother of Edwin E R Cotta and Edgar Maximiano Do Rosario Cotta, and we have entered into a formal lease agreement with her. If the licensor intends to cancel the lease agreement in future, it would have an adverse effect on our operations, requiring us to shift our registered office to a new location or to enter a new lease agreement and there can be no assurance that the arrangement our Company enter into in respect of the same would be on such terms and conditions as the present one. We cannot assure you that we will have the right to occupy, the aforementioned premises in future, or that we will be able to continue with the uninterrupted use of this property, which may impair our operations and adversely affect our financial condition. Further, in the absence of any formal agreements; we may not be able to enforce our rights in the event of a dispute. For further details of our Land and Properties, please refer to the chapter titled "Our Business" on page 71 of this Prospectus.

***18. Terrorist attacks and other security threats may discourage travel, which would have a significant impact on our business.***

Terrorist attacks result in an overall reduction in the number of visitors to India since several countries have been issuing travel advisories and many companies have curtailed travel. This may have an adverse impact on our business, financial condition and results of operation. We face ongoing challenges in maintaining a high level of security at our properties for our guests and employees, both from terrorism and other threats. Any future unforeseeable event such as terrorist attacks or other security breach at one or more of our properties could negatively impact our brand, damage our reputation and have a significant adverse impact on our business.

***19. The shortage or non-availability of power facilities may adversely affect our services at Resort Park Avenue and have an adverse impact on our business and financial condition.***

Our services at Resort Park Avenue require substantial amount of power facilities. Currently, Company receives power from Electricity Department, Government of Goa. The quantum and nature of power requirements of our industry and Company is such that it cannot be supplemented/ augmented by alternative/ independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced is very high in view of oil prices and other constraints. Our Company is mainly dependent on State Government for meeting its electricity requirements. Any disruption/non-availability of power shall directly affect our services which in turn shall have an impact on profitability and turnover of our Company.

**Management Perception:** - Our Company has made contingency arrangement of D. G. Sets of 30 KVA to run our services at Resort Park Avenue in absence of power facilities.

***20. The Shortage or non-availability of water facilities may adversely affect our services at Resort Park Avenue and have an adverse impact on our business and financial condition.***

Our services at Resort Park Avenue requires substantial amount of water. Our water requirement is very high and we fulfil our water requirement through ground water. The quantum and nature of water requirements of our industry is significant and requires continuous supply. Our Company is mainly dependent on ground water for meeting its water requirements. Any disruption/non-availability of water shall directly affect our services which in turn shall have an impact on profitability and turnover of our Company.

***21. Competition in markets in which we operate or may operate in the future could have a material adverse effect on our business, financial condition and results of operations.***



We function in a highly competitive industry. Our resort competes on the basis of location, room rates, quality of property, service and amenities, reputation, recognition and reservations systems, among many other factors. We face competition both from domestic as well as international hotel chains. The major international hotel chains have some competitive advantages over us due to their global spread of operations, greater brand visibility, financial resources, wider marketing and distribution networks. In addition, new or existing competitors could improve or introduce new facilities in markets in which our resort competes or significantly lower rates or offer greater conveniences, services or amenities or significantly expand. New hotels may be constructed in and around areas in which our properties are located, without corresponding increases in demand for hotel rooms in these locations. Competition and new supply could substantially reduce occupancy percentages and room rates at our resort.

Our market position will depend on our ability to anticipate and respond to various competitive factors affecting the industry, including new hotels and resorts, the offering of new amenities and services in our markets, pricing strategies by competitors and changes in consumer demographics and preferences and economic, political and social conditions. Any failure by us to compete effectively could have a material adverse effect on our business, financial condition and results of operations.

***22. Disruptions in the operations of our properties, services and facilities could affect our business and results of operations.***

Our business involves providing services, amenities and facilities such as food items, consumables or other utilities and services to our customers and guests. Maintaining an inventory of such particular requirements demands significant logistical effort. A failure in our operational and delivery systems, shortages or interruption in the supply of essentials (caused by weather or otherwise) and a resultant failure to maintain the frequency of deliveries to our properties or the quality of the deliverables may impact the ability of our properties to service our customers, thus affecting our reputation and sales. Failure to provide the deliverables could also be impacted by reasons beyond our control, such as a strike by freight and transport operators. Furthermore, any unavailability or breakdown of equipment, such as refrigerators, air-conditioners, laundry equipment installed in our properties may hamper the timely delivery and sales of our rooms and other facilities which may have an adverse effect on our business operations.

***23. The illiquidity of real estate investments and the lack of alternative use of our resort property could significantly limit our ability to respond to adverse changes in the performance of our property and harm our financial condition.***

Real estate investments are relatively illiquid and therefore our ability to promptly sell our property in response to changing economic, financial and investment conditions may be limited. The real estate market is affected by many factors that are beyond our control, and we cannot predict whether we will be able to sell our property for the price or on the terms acceptable to us. We also cannot predict the length of time needed to find a willing purchaser and to close the sale of a property. In addition, resort properties may not be readily converted to alternative uses if they were to become unprofitable due to competition, age of improvements, decreased demand or other factors. The conversion of a hotel to alternative uses would generally require structural alterations and substantial capital expenditure and we cannot assure you that we will be able to finance such expenditure. These factors could have a material adverse effect on our business, financial condition and results of operations.

***24. Our Group Companies and members of the Promoter Group are engaged in the line of business similar to our Company. There are no non-compete agreements between our Company and Group Companies/members of the Promoter Group. We cannot assure that our Promoter/Directors will not favor the interests of such Companies, members over our interest.***

Some of our group companies and members of Promoter Group are engaged in the similar line of hospitality business as of our Company. We have not entered into any non-compete agreement with any of such Companies or members. We cannot assure you that our Promoter/Directors who have common interest in such Companies or with such members will not favor their interest over our interest. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Companies/ members of Promoter Group in circumstances where our respective interests diverge. In cases of conflict, our Promoter/Directors may favor other companies or members in which our Promoter has interests. There can be no assurance that our Promoter or our Group Companies or members of the Promoter Group or Directors will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

For further details, please refer to the Chapter titled “Group Entities of Our Company” and “Our Promoter and Promoter Group” on page 127 and page 122 respectively of this Prospectus.



**25. Compliance with, and changes in safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.**

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subject to environmental, health and safety laws including but not limited to:

- Food Safety and Standard Act, 2006
- Fire Force Act, 1986
- The Environment Protection Act, 1986 (“Environment Protection Act”)
- Air (Prevention and Control of Pollution) Act, 1981
- Water (Prevention and Control of Pollution) Act, 1974
- Hazardous Waste Management & Handling Rules, 2008

Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings being initiated against us, third party claims or the levy of regulatory fines, which may adversely affect our business, results of operations and financial condition. Further amendments to such statutes may impose additional provisions to be followed by our Company and accordingly our Company may need to stop certain services, discontinue any range of services, incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of range of services for non-compliance, other liabilities and related litigation, which could adversely affect our business, prospects, financial condition and results of operations. Monitoring legal developments and maintaining internal standards and controls to abide by local rules and regulation can be costly and may detract management’s attention which could adversely affect our operations. Any failure to comply with these rules and regulation could adversely affect our reputation and fines or penalties may have an adverse effect on our financial condition or results of operations.

**26. The Offer for Sale proceeds will not be available to our Company.**

As on the date of this Prospectus, Hotel Miramar Comfort Private Limited has specifically confirmed that it holds 26,48,000 Equity Shares and that it has consented to offer 8,10,000 Equity Shares for sale in the Offer for Sale.

For further details, please refer chapter titled “The Offer” on page 43 of this Prospectus. The proceeds from the Offer for Sale will be remitted to the Promoter Selling Shareholder and our Company will not benefit from such proceeds.

**27. The average cost of acquisition of Equity Shares by our Promoters could be lower than the offer price.**

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the offer price. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to section “Prominent Notes” under chapter “Capital Structure” beginning on page 54 of this Prospectus.

**28. We could become liable to our customers, suffer adverse publicity and incur substantial costs as a result of defects in our services, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.**

Any failure or defect in our services could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. Although we attempt to maintain quality standards, we cannot assure that all our services would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity. Also, our business is dependent on the trust our customers have in the quality of our services. Any negative publicity regarding our company, brand, or services, including those arising from a drop-in quality of merchandise from our vendors, mishaps resulting from the use of our services, or any other unforeseen events could affect our reputation and our results from operations.

**29. 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 etc.**

Some of our Directors and Key Managerial Personnel are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and Key Managerial Personnel may also be interested to the extent of their shareholding, dividend entitlement, if any. For



further information, see “*Capital Structure*” and “*Our Management*” and “*Related Party Transactions*” beginning on pages 54, 108 and 131, respectively, of this Prospectus.

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

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

***31. 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 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.

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

Our Company have taken secured loan from banks by creating a charge over our movable and immovable properties in respect of loans/facilities availed by us. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on our business, financial condition and results of operations. For further details please refer to “Annexure VII- Details of Long Term Borrowings as Restated” and “Annexure X Details of Short Term Borrowings as Restated” of chapter titled “*Financial Statements as Restated*” beginning on page 133 and Financial Indebtedness in chapter titled “*Statement of Financial Indebtedness*” on page 164 of this Prospectus.

***33. Our insurance policies do not cover all risks, specifically risks like services 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 insurance policies consist of, among others, standard fire and special perils, earthquake, etc. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like service defect/liability risk, loss of profits, losses due to terrorism, etc. Further 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.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” on page 132 of this Prospectus.

***35. Our future funds requirements, in the form of fresh Offer 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 Offer of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on



terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

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

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

***37. Our Promoters have given guarantees in relation to certain debt facilities provided to us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the credit facilities.***

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

***38. We will be controlled by our Promoters as long as they own a majority of our Equity Shares, and our other shareholders will be unable to affect the outcome of shareholder voting during such time***

After the completion of this offer, the Promoters and the Promoter Group will own approximately 73% of our issued Equity Share Capital. As a result, our Promoters and Promoter Group will have the ability to appoint the majority of the members of the Board, in accordance with the Companies Act and our Articles of Association and determine the outcome of actions requiring the approval of our shareholders. The interests of our Promoter may conflict with the interests of our other investors, and you may not agree with actions it may take. Further, the extent of the Promoters shareholding in us may result in delay or prevention of a change of management or control of the Company, even if such a transaction may be beneficial to our other shareholders.

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

Our Company has entered into transactions with our certain related parties. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to "Annexure XXVII Related Party Transactions" in Section "Financial Statements as Restated" beginning on page 133 of this Prospectus.

***40. 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. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business.

For further details in this regard, please refer chapter titled "Statement of Financial Indebtedness" beginning on page 164 of this Prospectus.

***41. Our operations may be adversely affected if relations with employees at resort were to deteriorate***

Relations with employees at our resort could deteriorate due to disputes related to, among other things, wage or benefit levels. Our operations rely heavily on employees and on the employees' ability to provide high-quality personal service





to guests. Shortage of skilled labour or stoppage caused by disagreements with employees could adversely affect our ability to provide these services and could lead to reduced occupancy or potentially damage our reputation.

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

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees 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.

**Offer Specific Risks:**

**43. There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.**

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

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

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

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

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

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

The offer Price of our Equity Shares has been determined by fixed price method. This price is being based on numerous factors (For further information, please refer chapter titled "Basis for offer Price" beginning on page 85 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the offer. The market price of our Equity Shares could be subject to significant fluctuations after the offer and may decline below the offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer 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.

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

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

**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:**

**Industry Related Risks:**

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

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

**Other Risks:**

**49. The Companies (Amendment) Act, 2017 has effected significant changes to the existing Indian Company law framework, which may subject us to higher compliance requirements and increase our compliance costs.**

Companies Act, 2013 was notified in a phased manner starting from April 1, 2014. More recently Companies (Amendment) Act, 2017 has got President's assent and has been notified on January 03, 2018. A majority of the provisions and rules under the Companies Act, 2013 have been further modified. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which have been recently amended or the provisions which are yet to come into force. To ensure compliance with the requirements of the Companies Act, 2013, as amended till date, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

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

Under the Income Tax Act, 1961, capital gains arising from the sale of equity shares in an Indian Company are generally taxable in India. Any gain 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. Any gain on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a 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 on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a stock exchange and on which no STT has been paid, will 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.



In Finance Bill 2017, Section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to STT under Chapter VII of the Finance (No 2) Act, 2004. In this case, this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long-term capital gains exceed Rs. 1,00,000/- p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of Rs. 1,00,000/- pa. shall be chargeable at the rate of 10%.

Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

***51. 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 Draft Red Herring Prospectus under chapter "Financial Statements as Restated" beginning on page 133 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.

***52. We will be subject to risks arising from interest rate fluctuations, which could adversely affect our business, financial condition and results of operations.***

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for our future borrowings increase significantly, our cost of servicing such debt will increase. This may adversely impact our results of operations, planned capital expenditures and cash flows.

***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 our industry contained in the Prospectus.***

While facts and other statistics in this Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These



facts and other statistics include the facts and statistics included in the chapter titled “*Our Industry*” beginning on page 71 of this 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 a 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. 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, tsunamis, 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.

***59. 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.

***60. The nationalized goods and services tax (GST) regimes implemented by the Government of India have impact on our operations.***



The Government of India has from July 01, 2017 has implemented the Goods and Service Tax a comprehensive national goods and service tax (GST) regime that combines taxes and levies by the Central and State Governments into a unified rate structure.

**61. 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.

**Prominent Notes to Risk Factors:**

Public Offer of 8,10,000 equity shares of face value ₹10/-each of our Company for cash at a price of ₹ 24/- per Equity Share (the "Offer Price"), aggregating up to ₹ 194.40 Lakhs, of which 42,000 Equity Shares of face value of ₹10 each will be reserved for subscription by Market Maker to the Offer ("Market Maker Reservation Portion"). The Offer less the Market Maker Reservation Portion i.e. Net Offer of 7,68,000 Equity Shares of face value of ₹10 each is hereinafter referred to as the "Net Offer". The Offer and the Net Offer will constitute 27.00% and 25.60% respectively of the post Offer paid up equity share capital of the Company

Investors may contact the Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Offer. For contact details of the Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "General Information" beginning on page 47 of this Prospectus.

The Net Asset Value per Equity Share of our Company as per the Restated Financial Information as of March 31, 2018 is ₹ 11.43 and as on March 31, 2017 is ₹ 10.07 per share. For further details, please refer to section titled "Financial Statements as Restated" beginning on page 133 of this Prospectus.

The Net Worth of our Company as per the Restated Financial Information as of March 31, 2018 is ₹ 342.96 Lakhs and as on March 31, 2017 is ₹ 302.20 Lakhs. For further details, please refer to the section titled "Financial Statements as Restated" beginning on page 133 of this Prospectus.

The average cost of acquisition per Equity Share of our Promoter is set out below:

Sr. No.	Name of the Promoter	No. of Equity Share held	Average price per Equity Share (₹)
1.	Edgar Maximiano Do Rosario Cotta	70,000	10.00
2.	Edwin E R Cotta	70,000	10.00
3.	Hotel Miramar Comfort Private Limited	26,48,000	10.00

For further details, please refer to section titled "Capital Structure" beginning on page 54 of this Prospectus.

There has been no change of name of our Company at any time during the last three (3) years immediately preceding the date of filing Prospectus. However, our company got converted to public limited company on August 10, 2017.

There has been no financing arrangement whereby our Directors or any of their respective relatives have financed the purchase by any other person of securities of our Company during the six (6) months preceding the date of this Prospectus.

The details of transactions of our Company with related parties, nature of transactions and the cumulative value of transactions please refer to section titled "Financial Statements as Restated" and "Related Party Transactions" beginning on page 133 and 131 respectively of this Prospectus.

Except as stated under the section titled "Capital Structure" beginning on page 54 of this Prospectus, our Company has not issued any Equity Shares for consideration other than cash.

For information on changes in the Company's name and Objects Clause of the Memorandum of Association of our Company, please refer to the section titled "History and Certain Other Corporate Matters" beginning on page 104 of this Prospectus.



Except as disclosed in the sections titled “*Capital Structure*”, “*Our Promoter and Promoter Group*”, “*Group Entities of our Company*” and “*Our Management*” beginning on pages 54, 122, 127 and 108 respectively of this Prospectus, none of our Promoters, Directors or Key Managerial Personnel has any interest in our Company.

Investors are advised to refer to the chapter titled “*Basis for Offer Price*” beginning on page 67 of the Prospectus.

Trading of Equity Shares of our Company for all investors shall be in dematerialized form only.



## 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 Offer 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 as Restated” and related notes beginning on page 14 and 133 respectively of this Prospectus before deciding to invest in our Equity Shares.*

### OVERVIEW OF TOURISM AND HOSPITALITY INDUSTRY

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. India's Foreign Exchange Earnings (FEEs) increased by 17.6 per cent year-on-year in January 2018 over January 2017.

The tourism and hospitality sector are among the top 10 sectors in India to attract the highest Foreign Direct Investment (FDI). During the period April 2000-December 2017, the hotel and tourism sector attracted around US\$ 10.90 billion of FDI, according to the data released by Department of Industrial Policy and Promotion (DIPP).

India's travel and tourism industry has huge growth potential. The tourism industry is also looking forward to the expansion of E-visa scheme which is expected to double the tourist inflow to India. India's travel and tourism industry has the potential to expand by 2.5 per cent on the back of higher budgetary allocation and low-cost healthcare facility, according to a joint study conducted by ASSOCHAM and Yes Bank.

(Source: Tourism & Hospitality Industry in India, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

### GLOBAL ECONOMIC OVERVIEW

According to the International Monetary Fund (IMF), the global economy is experiencing a near-synchronous recovery, the most broad-based since 2010. In 2017, roughly three-quarters of countries experienced improvements in their growth rates, the highest share since 2010. The latest World Economic Outlook (WEO) of the IMF shows global GDP growth accelerated to around 3.6 percent in 2017 from 3.2 percent in 2016, and the forecast for 2018 has been upgraded by 0.2 percentage points to 3.9 percent. Although rebounding, global growth is still well below levels reached in the 2000s.

One reason why the recovery has spread around the globe is that world trade in goods and services has finally emerged from its torpor, registering 4.7 percent real volume growth in 2017 compared with 2.5 percent in 2016. Another reason is that commodity producers such as Russia, Brazil, and Saudi Arabia, which for the past few years been suffering from depressed prices, have benefitted from the upswing in demand. Commodity prices increased smartly in 2017, led by petroleum, whose price rose by 16 percent to reach \$61 per barrel by the end of the year.

Even as global growth and commodity prices have surged, inflation has remained remarkably quiescent, remaining below 2 percent in the main advanced regions. Consequently, monetary policies in the US, Eurozone and Japan have remained highly accommodative despite a strong recovery. These unusual settings—rapid growth, ultra-low interest rates—at a late stage in the economic cycle have produced the rarest of combinations: record-high high bond prices and stock market valuations, both at the same time. The consensus forecast calls for these conditions to be sustained in 2018, as companies respond to buoyant demand conditions by stepping up investment, some governments (such as the US) embark on expansionary fiscal policies, while advanced country monetary policies remain stimulative and world trade continues to grow briskly.

What are the risks? Of course, there are the usual geo-political and geo-economic risks: war in the Korean peninsula; political upheaval in the Middle East; aggressive output cuts by Saudi Arabia (and Russia) in advance of the planned listing of the Saudi Arabian oil company, Aramco, which could force oil prices even higher; a final reckoning from China's unprecedented credit surge in the form of capital controls, slowdown in growth, and a sharply depreciating currency with consequences for the global economy (Economic Survey, 2016-17, Chapter 1); and trade tensions that could lead to skirmishes, and then spiral out of control. But perhaps the main risks lie on the macro-finance front in advanced economies. These stem from three, inter-related, sources:





- Asset valuations (price-equity ratios) tend to revert to their mean. And the faster and higher they climb, especially so late in the economic cycle, the greater the risk of sharp corrections.
- Simultaneously high valuations of both bonds and equities tend to be briefly lived because they suffer from an acute tension: if future earnings and economic growth are so bright, justifying high equity prices, interest rates cannot be forever so low.
- And if interest rates rise—or if markets even sense that central banks will need to shift their stance—both bond and equity prices could correct sharply. A plausible scenario would be the following. The IMF is now forecasting that advanced country output gaps will close in 2018 for the first time since the Global Financial Crisis. As this occurs, wages would start rising, eating into profits (which would prick equity valuations); and as inflation rises in tandem, policy makers would be forced into raising rates, deflating bond valuations and further undermining share prices.

What would happen to growth if asset prices correct? Surely, the impact would be far smaller than it was in 2007-09, because advanced countries are far less vulnerable than they were a decade ago. In particular, the leverage tied to these assets is much lower, which would minimize contagious propagation; while banks are much better buffered, with higher levels of capital and core deposits, and lower levels of risky assets.

Even so, there would be some consequences. For one, a large decline in wealth would force advanced country consumers to cut back on their spending, which in turn would lead firms to curtail their investments. And if this happens, monetary and fiscal policies would have much less room for expansionary manoeuvre since interest rates are already low while government debts are high. And the political implications of yet another decline in asset prices, the second in a decade, could also be significant, with effects that are difficult to imagine.

In sum, assessing future risks hinges on two calls: interest rate policy and asset valuations. On policy, extraordinarily low rates have, to paraphrase Paul Krugman, become “an obsession in search of a justification.” Initially justified by the dislocations caused by the Global Financial Crisis, then by large output gaps, they are now defended on the grounds that inflation remains weak, even as the slack in product and labour markets is disappearing rapidly. Will the gathering new evidence on closing output gaps and rising employment dispel that obsession?

On valuations, the prognosticator must navigate a narrow strait: steering clear of the “Cry of Wolf” trap (bond prices will finally, finally correct, having defied the prediction of correction in each of the last several years), without succumbing to the siren call of “This Time is Different” (stock valuations are sustainable this time because interest rates will remain at historic lows).

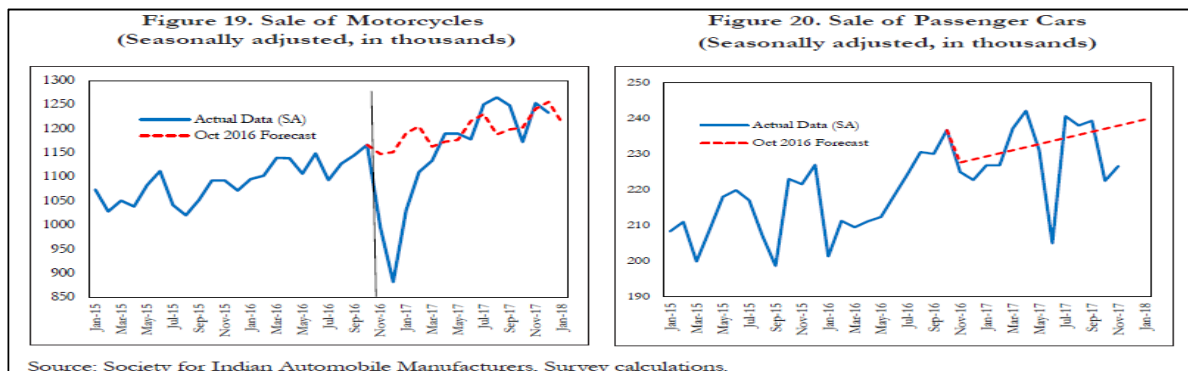
(Source: Economic Survey 2017-18 Volume 1 [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

**OVERVIEW OF INDIA’S ECONOMIC PERFORMANCE IN 2017-18**

**ECONOMIC ACTIVITY**

The key question going forward is whether the economy has troughed, and if so at what pace it will recover toward its medium-term trend. High frequency indicators do suggest that a robust recovery is taking hold as reflected in a variety of indicators, including overall GVA, manufacturing GVA, the IIP, gross capital formation (Figure 17) and exports.

Similarly, real non-food credit growth has rebounded to 4 percent in November 2017 on a year-on-year basis, while the squeeze on real credit to industry is abating (Figure 18). Moreover, the flow of nonbank resources to the corporate sector, such as bond market borrowing and lending by NBFCs, has increased by 43 percent (April-December 2017 compared to the same period a year ago), substituting in part for weak bank credit. Rural demand, proxied by motor cycle sales, and auto sales, while not yet back to its pre-demonetization trend, are recovering (Figures 19 and 20).

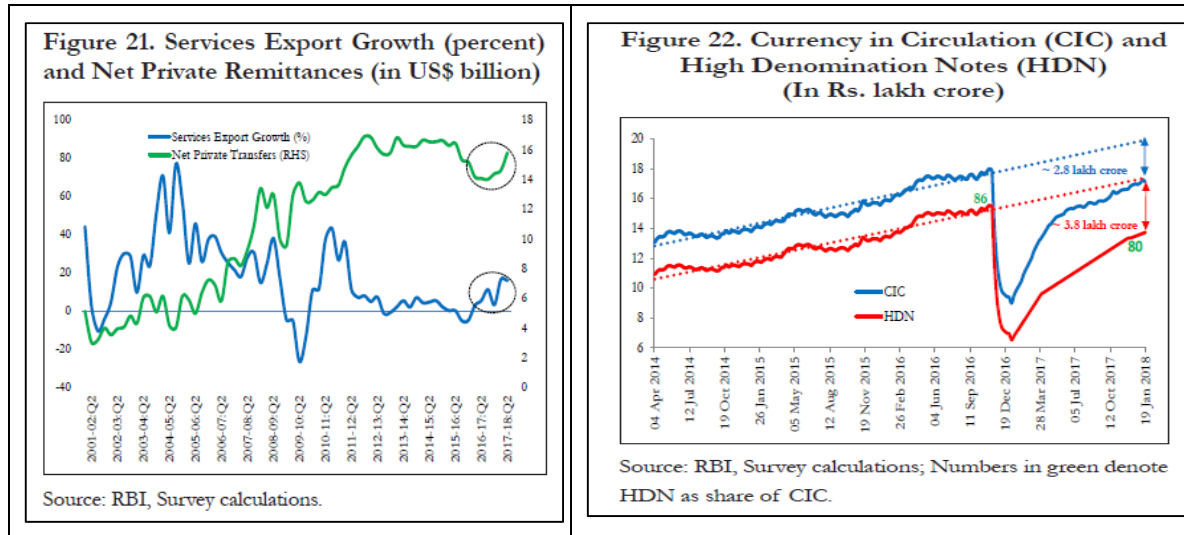


Perhaps most significantly, the behaviour of manufacturing exports and imports in the second and third quarters of this fiscal year has started to reverse. The re-acceleration of export growth to 13.6 percent in the third quarter of FY2018



and deceleration of import growth to 13.1 percent, in line with global trends, suggest that the demonetization and GST effects are receding. Services export and private remittances are also rebounding (Figure 21).

On demonetization specifically, the cash-to-GDP ratio has stabilized, suggesting a return to equilibrium. The evidence is that since about June 2017 the trend in currency is identical to that pre-demonetization (Figure 22). The stabilization also permits estimation of the impact of demonetization: about Rs. 2.8 lakh Crores less cash (1.8 percent of GDP) and about Rs. 3.8 lakh Crores less high denomination notes (2.5 percent of GDP).

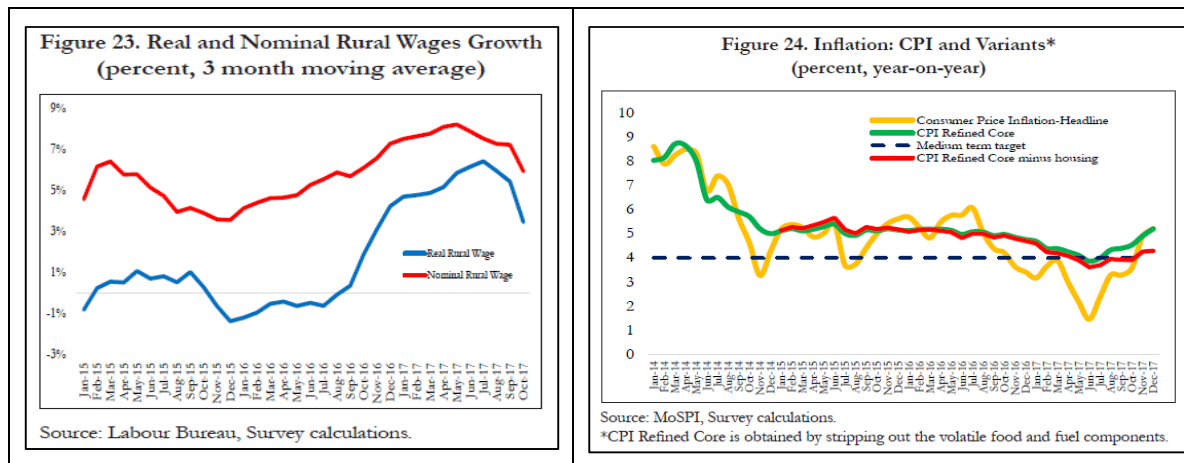


A final, important factor explaining the growth recovery is fiscal, which is providing a boost to aggregate demand. For reasons related to smoothening the transition, GST revenues will only be collected for 11 months, which is akin to a tax cut for consumers. Meanwhile, overall revenue expenditure growth by the central and state governments at remains strong at 11.7 percent (April to November). Cyclical conditions may also lead to lower tax and non-tax revenues, which act as an automatic stabilizer.

All this said, while the direction of the indicators is positive, their level remains below potential. IIP growth (April-November 2017 over same period in the previous year) is 3.2 percent, real credit growth to industry is still in negative territory, and the growth in world trade remains less than half its level of a decade ago. Moreover, even though the cost of equity has fallen to low levels, corporates have not raised commensurate amounts of capital, suggesting that their investment plans remain modest (Box 6). In other words, the twin engines that propelled the economy’s take-off in the mid-2000s – exports and investment – are continuing to run below take-off speed.

Meanwhile, developments in the agriculture sector bear monitoring. The trend acceleration in rural wages (agriculture and non-agriculture), which had occurred through much of 2016 because of increased activity on the back of a strong monsoon, seems to have decelerated beginning just before the kharif season of 2017-18 (Figure 23) but it is still greater than much of the last three years. Three crop-specific developments are evident. Sowing has been lowering in both kharif and rabi, reducing the demand for labour. The acreage for kharif and rabi for 2017-18 is estimated to have declined by 6.1 percent and 0.5 percent, respectively. Pulses and oilseeds have seen an increase in sowing, but this has translated into unusually low farmgate prices (below their minimum support price, MSP), again affecting farm revenues. The so-called TOP perishables (tomatoes, onions, and potatoes) have meanwhile fluctuated between high and low prices, engendering income uncertainty for farmers.

The CSO has forecast real GDP growth for 2017-18 at 6.5 percent. However, this estimate has not fully factored in the latest developments in the third quarter, especially the greater-than-CSO-forecast exports and government contributions to demand. Accordingly, real GDP growth for 2017-18 as a whole is expected to be close to 6 3/4 percent. Given real GDP growth of 6 percent in the first half, this implies that growth in the second half would rebound to 7.5 percent, aided by favourable base effects, especially in the fourth quarter.



Average CPI inflation for the first nine months has averaged 3.2 percent and is projected to reach 3.7 percent for the year as a whole. This implies average CPI inflation in the last quarter of 5 percent, in line with the RBI’s forecast. Therefore, the GDP deflator is expected to grow by 3.6 percent for 2017-18, somewhat higher than the CSO’s forecast of 2.8 percent. Consequentially, nominal GDP growth is estimated at 10.5 percent, compared with the CSO’s 9.5 percent estimate.

(Source: Economic Survey 2017-18 Volume 1 [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

**OUTLOOK FOR 2018-19**

The outlook for 2018-19 will be determined by economic policy in the run-up to the next national election. If macro-economic stability is kept under control, the ongoing reforms are stabilized, and the world economy remains buoyant as today, growth could start recovering towards its medium term economic potential of at least 8 percent.

Consider the components of demand that will influence the growth outlook. The acceleration of global growth should in principle provide a solid boost to export demand. Certainly, it has done so in the past, particularly in the mid-2000s when the booming global economy allowed India to increase its exports by more than 26 percent per annum. This time, the export response to world growth has been in line with the long-term average, but below the response in the mid-2000s. Perhaps it is only a matter of time until exports start to grow at a healthy rate. Remittances are already perking up and may revive further due to higher oil prices.

Private investment seems poised to rebound, as many of the factors exerting a drag on growth over the past year finally ease off. Translating this potential into an actual investment rebound will depend on the resolution and recapitalization process. If this process moves ahead expeditiously, stressed firms will be put in the hands of stronger ownership, allowing them to resume spending. But if resolution is delayed, so too will the return of the private capex cycle. And if this occurs public investment will not be able to step into the breach, since it will be constrained by the need to maintain a modicum of fiscal consolidation to head off market anxieties.

Consumption demand, meanwhile, will encounter different tugs. On the positive side, it will be helped by the likely reduction in real interest rates in 2018-19 compared to the 2017-18 average. At the same time, average oil prices are forecast by the IMF to be about 12 percent higher in 2018-19, which will crimp real incomes and spending—assuming the increase is passed on into higher prices, rather than absorbed by the budget through excise tax reductions or by the oil marketing companies. And if higher oil prices require tighter monetary policy to meet the inflation target, real interest rates could exert a drag on consumption.

Putting all these factors together, a pick-up in growth to between 7 and 7.5 percent in 2018-19 can be forecasted, reinstating India as the world’s fastest growing major economy. This forecast is subject to upside potential and downside risks. The biggest source of upside potential will be exports. If the relationship between India’s exports and world growth returns to that in the boom phase, and if world growth in 2018 is as projected by the IMF, then that could add another ½ percentage point to growth.

Another key determinant of growth will be the implementation of the IBC process. Here timeliness in resolution and acceptance of the IBC solutions must be a priority to kick-start private investment. The greater the delays in the early cases, the greater the risk that uncertainty will soon shroud the entire IBC process. It is also possible that expeditious resolution may require the government to provide more resources to PSBs, especially if the haircuts required are greater than previously expected, the ongoing process of asset quality recognition uncovers more stressed assets, and if new accounting standards are implemented.



Persistently high oil prices (at current levels) remain a key risk. They would affect inflation, the current account, the fiscal position and growth, and force macroeconomic policies to be tighter than otherwise. One eventuality to guard against is a classic emerging market “sudden stall” induced by sharp corrections to elevated stock prices. (Box 9 suggests that India’s stock price surge is different from that in other countries but does not warrant sanguine-ness about its sustainability.) Savers, already smarting from reduced opportunities in the wake of demonetization, from depressed gold prices, and from lower nominal interest rates, would feel aggrieved, leading to calls for action. Stock price corrections could also trigger capital outflows, especially if monetary policy unwinds less hesitantly in advanced countries and if oil prices remain high. Policy might then have to respond with higher interest rates, which could choke off the nascent recovery. The classic emerging market dilemma of reconciling the trade-off between macro-stability and growth could then play itself out.

A key policy question will be the fiscal path for the coming year. Given the imperative of establishing credibility after this year, given the improved outlook for growth (and hence narrowing of the output gap), and given the resurgence of price pressures, fiscal policy should ideally have targeted a reasonable fiscal consolidation. However, setting overly ambitious targets for consolidation—especially in a pre-election year—based on optimistic forecasts that carry a high risk of not being realized will not garner credibility either. Pragmatically steering between these extremes would suggest the following: a modest consolidation that credibly signals a return to the path of gradual but steady fiscal deficit reductions.

Against this overall economic and political background, economic management will be challenging in the coming year. If the obvious pitfalls (such as fiscal expansion) are avoided and the looming risks are averted that would be no mean achievement.

(Source: Economic Survey 2017-18 Volume 1 [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## **SERVICE SECTOR IN INDIA**

### **Introduction**

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

### **Market Size**

The services sector is the key driver of India’s economic growth. The sector is estimated to contribute around 54.0 per cent of India’s Gross Value Added in 2017-18 and employed 28.6 per cent of the total population. India’s net services exports during reached US\$ 57.60 billion April-December 2017. Nikkei India Services Purchasing Managers Index grew from 47.80 in February 2018 to 50.30 in March 2018, supported by growth in the growth in Information & Communications and Finance & Insurance.

As per Ministry of Statistics and Programme Implementation’s second advance estimates of National Income 2017-18, services sector GVA is expected to grow to US\$ 1,266.10 million in FY18. According to a report called ‘The India Opportunity’ by leading research firm Market Research Store, the Indian mobile services market is expected to reach \$37 billion in 2017 and grow by 10.3 per cent year-on-year to reach US\$ 103.9 billion by 2020. Out of overall services sector, the sub-sector comprising financial services, real estate and professional services contributed US\$ 305.8 billion or 20.5 per cent to the GDP. The sub-sector of community, social and personal services contributed US\$ 188.2 billion or 12.6 per cent to the GDP.

### **Investments**

The Indian services sector which includes financial, banking, insurance, non-financial/business, outsourcing, research and development, courier and technical test analysis, has attracted FDI equity inflows in the period April 2000-December 2017, amounting to about US\$ 64.10 billion according to the Department of Industrial Policy and Promotion (DIPP).

### **Government Initiatives**

The Government of India recognises the importance of promoting growth in services sectors and provides several incentives in wide variety of sectors such as health care, tourism, education, engineering, communications, transportation, information technology, banking, finance, management, among others. Prime Minister Narendra Modi has stated that India’s priority will be to work towards trade facilitation agreement (TFA) for services, which is expected to help in the smooth movement of professionals.

### **Road Ahead**



Services sector growth is governed by both domestic and global factors. The Indian facilities management market is expected to grow at 17 per cent CAGR between 2015 and 2020 and surpass the US\$19 billion mark supported by booming real estate, retail, and hospitality sectors. The performance of trade, hotels and restaurants, and transport, storage and communication sectors are expected to improve in FY17. The financing, insurance, real estate, and business services sectors are also expected to continue their good run in FY17.

The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run on account of availability of GST input credit, which will result in the reduction in prices of services.

Exchange Rate Used: INR 1 = US\$ 0.015 as on March 01, 2018

*References: Media Reports, Press Releases, DIPP publication, Press Information Bureau,*

*Note: # - according to a report by Google India and KPMG*

(Source: Service Sector in India, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

## **TOURISM AND HOSPITALITY INDUSTRY IN INDIA**

### **Introduction**

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. India's Foreign Exchange Earnings (FEEs) increased by 17.6 per cent year-on-year in January 2018 over January 2017.

### **Market Size**

India is the most digitally-advanced traveller nation in terms of digital tools being used for planning, booking and experiencing a journey@@, India's rising middle class and increasing disposable incomes has continued to support the growth of domestic and outbound tourism. Domestic Tourist Visits (DTV) to the States/Union Territories (UTs) grew by 15.5 per cent y-o-y to 1.65 billion (provisional) during 2016 with the top 10 States/UTs contributing about 84.2 per cent to the total number of DTVs, as per Ministry of Tourism.

Foreign Tourist Arrivals (FTAs) in India increased 8.4 per cent year-on-year to 1.06 million and the number of FTAs on e-tourist visa increased 58.5 per cent to 2.40 lakh foreign tourist as per Ministry of Tourism, Government of India. India is expected to move up five spots to be ranked among the top five business travel market globally by 2030, as business travel spending in the country is expected to treble until 2030 from US\$ 30 billion in 2015. # International hotel chains will likely increase their expansion and investment plans in India and are expected to account for 50 per cent share in the Indian hospitality industry by 2022, from the current 44 per cent. \*

### **Investments**

The tourism and hospitality sector are among the top 10 sectors in India to attract the highest Foreign Direct Investment (FDI). During the period April 2000-December 2017, the hotel and tourism sector attracted around US\$ 10.90 billion of FDI, according to the data released by Department of Industrial Policy and Promotion (DIPP).

### **Government Initiatives**

The Indian government has realised the country's potential in the tourism industry and has taken several steps to make India a global tourism hub.

Some of the major initiatives planned by the Government of India to give a boost to the tourism and hospitality sector of India are as follows:

- The Government of India signed a loan agreement for US\$ 40 million with the World Bank for the Uttar Pradesh Pro-Poor Tourism Development Project aimed at developing tourism facilities in the state.
- Under Budget 2018-19, the government allotted Rs 1,250 crore (US\$193.08 million) for Integrated development of tourist circuits under Swadesh Darshan and Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD).

### **Road Ahead**

India's travel and tourism industry has huge growth potential. The tourism industry is also looking forward to the expansion of E-visa scheme which is expected to double the tourist inflow to India. India's travel and tourism industry has the potential to expand by 2.5 per cent on the back of higher budgetary allocation and low-cost healthcare facility, according to a joint study conducted by Ascham and Yes Bank.

Exchange Rate Used: INR 1 = US\$ 0.015 as of January 4, 2018.





*References: Media Reports, Ministry of Tourism, Press Releases, Department of Industrial Policy and Promotion (DIPP), Press Information Bureau (PIB), Union Budget 2017-18*

*Note - - As per the report of National Skill Development Corporation on “Human Resource and Skill Requirements in the Travel, Tourism & Hospitality Sector (2013 -17, 2017 – 22)”, @ - World Economic Forum (WEF) report, # - According to a report by KPMG and FCM Travel Solutions, # - According to data from Indian Credit Rating Agency (ICRA), @@ - according to a survey by Travelport*

(Source: Tourism & Hospitality Industry in India, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

## **EVOLUTION OF THE INDIAN TOURISM AND HOSPITALITY SECTOR**

The National Tourism Policy was announced in 1982. The government formulated a comprehensive plan in 1988 to promote tourism. Various states in India declared tourism as an industry. The government stressed on private-public partnership in the sector. Government policies give a fillip to the hotel industry. A national policy on tourism was announced in 2002, focusing on developing a robust infrastructure. Online travel portals and low-cost carrier airlines gave a boost to domestic tourism.

The government has undertaken various marketing initiatives to attract tourists. The National Medical & Wellness Tourism Promotion Board formed in 2015. 12 Institutes of Hospitality Management sanctioned in north-east states in August 2016. E – Tourist visa launched and 1.697 million tourists arrived in India in 2017 through these visas. Travel and Tourism sector accounted for 9.3 per cent of employment opportunities in India.

(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

## **SEGMENTS OF TOURISM AND HOSPITALITY**

### **Accommodation and Catering**

Accommodation could be hotels and motels, apartments, camps, guest houses, lodge, bed and breakfast establishments, house boats, resorts, cabins and hostels. In addition, tourists also require catering facilities, which includes include hotels, local restaurants, roadside joints, cafeterias and retail outlets serving food and beverages.

### **Transportation**

Comprises airline companies, cruise services, railways, car rentals and more. A tourist’s choice of transport would depend on the travel budget, destination, time, purpose of the tour and convenience to the point of destination.

### **Attractions**

Another major component of the travel and tourism industry is ‘attractions’ such as theme parks and natural attractions including scenic locations, cultural and educational attractions, monuments, events and medical, social or professional causes.

### **Travel agents**

A fragmented sector with a number of independent travel agents and many online businesses. They also sell associated products such as insurance, car hire and currency exchange. Business travel agencies specialise in making travel and accommodation arrangements for business travellers and promoting conference trades.

### **Tour operators**

Offer customised tours, including travel, accommodation and sightseeing

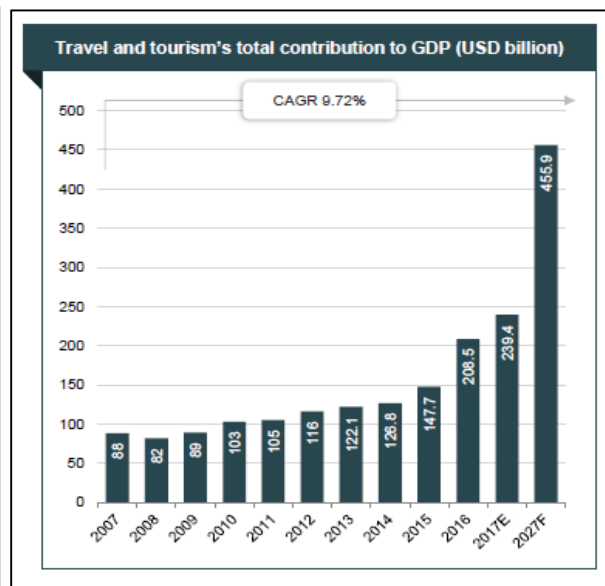
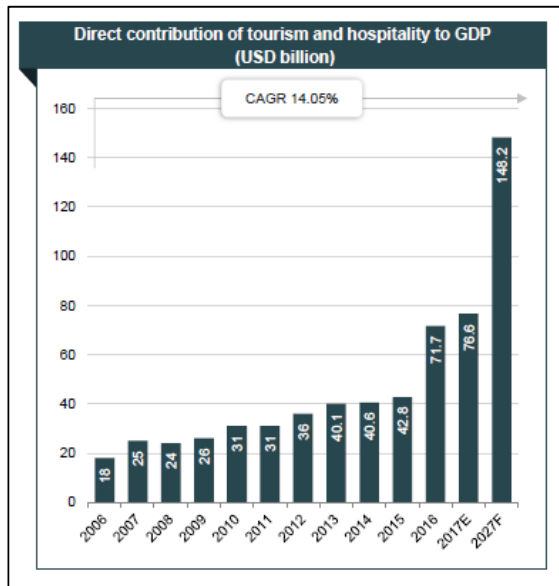
(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

## **RISING CONTRIBUTION TO INDIA’S GDP**

Tourism in India accounts for 9.6 per cent of the GDP & is the 3rd largest foreign exchange earner for the country. The tourism & hospitality sector’s direct contribution to GDP in 2016, was US\$ 71.7 billion. This is expected to rise by 6.9 per cent to US\$ 76.6 billion in 2017. During 2006–17E, direct contribution of tourism & hospitality to GDP is estimated to have registered a CAGR of 14.05 per cent. The direct contribution of travel & tourism to GDP is expected to reach US\$ 148.2 billion by 2027.

The sector’s total contribution to GDP stood at US\$ 208.9 billion (9.6 per cent of GDP) in 2016 and is forecast to rise by 6.7 per cent in 2017, and to rise by 6.7 per cent pa to Rs 28,491.8 billion (US\$ 424.5 billion), 10 per cent of GDP in 2027. In February 2018, the country earned foreign exchange of around US\$ 2.706 billion, from the tourism sector.



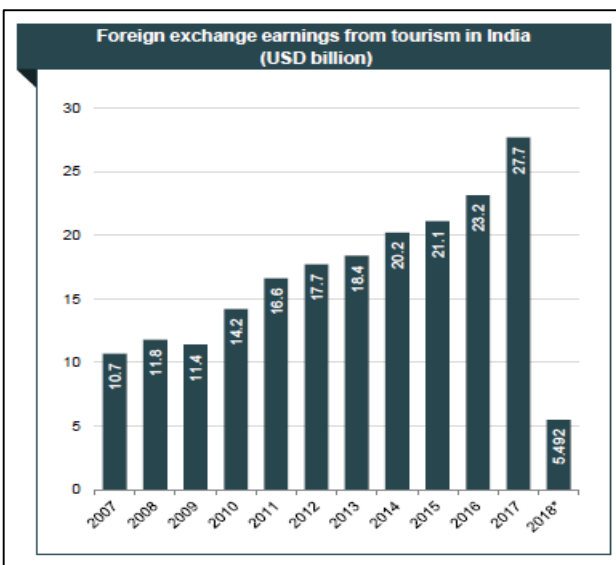
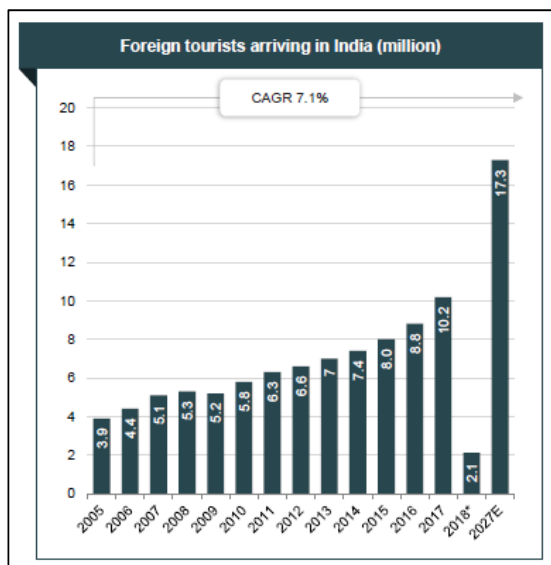


(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

### FOREIGN ARRIVALS ARE RISING

In CY2017, foreign tourist arrival in India stood at 10.177 million and reached 2.12 million in CY 2018 (up to February). Foreign tourist arrivals into the country is forecast to increase at a CAGR of 7.1 per cent during 2005–25. India is expected to attract 17.3 million international tourist arrivals by 2027. Growth in tourist arrivals has been due to flexible government policies, developed rail & road infrastructure, ease in availability of e-visas to foreign tourists. The number of Foreign Tourist Arrivals (FTAs) in February 2018 were 1.05 million as compared to FTAs of 956,000 in February 2017 and 849,000 lakh in February 2016. The growth rate in FTAs in February 2018 over February 2017 was 10.1 per cent. The Government of India has set a target of 20 million foreign tourist arrivals (FTAs) by 2020 and double the foreign exchange earnings as well. The Government of India is working to achieve 1 per cent share in world's international tourist arrivals by 2020 and 2 per cent share by 2025.

During 2017, India has earned foreign exchange of US\$ 27.693 billion from tourism. Foreign exchange earnings from tourism in India witnessed growth at a CAGR of 10.4 per cent during 2006-17. In FY16, foreign exchange earnings from the tourism sector stood at US\$23.15 billion. Foreign exchange earnings (FEEs) in February 2018 were US\$ 2.706 billion as compared to US\$ 2.354 billion in February 2017 and US\$ 2.001 billion in February 2016. The year-on-year growth rate in FEEs in February 2018 over February 2017 was 15 per cent, compared to 17.6 per cent in February 2017 to January 2016.



(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))



## **DOMESTIC CONSUMERS TO LEAD GROWTH**

Domestic travel revenues are estimated at US\$ 183.48 billion in 2016 are anticipated to further increase to US\$ 203.3 billion by 2026. Revenues earned from foreign visitors are estimated at US\$ 25.02 billion in 2016 & are projected to further increase to US\$ 40.11 billion by 2026. Indian travellers booked 52 per cent more trips in the 3rd quarter of 2016 as compared to last year.

Out of total Indian travellers, in 2016, 17 per cent people were in the age bracket 18-24 years, compared to 12 per cent in the previous year, which was mainly due to the increasing usage of smartphones by the young travellers. India's state-of-the-art high-speed 15 coach train Tejas Express made its 1st run on 22nd May 2017, from Mumbai to North Goa. It covered a distance of 579 kms in 8.5 hours. The train has 2 classes - Executive Chair Car & Chair Car. It is equipped with facilities like automatic doors, secured gangways, Wi-Fi, LCD screens, magazines, tea-coffee vending machines, bio-toilets, etc. At the time of booking, the passengers will have a choice to opt for on-board catering services, which will not be compulsory like in Shatabdi

Share of revenues from leisure travel to the total tourism revenue stood around 94.6 per cent in 2016. Leisure travel spending reached Rs 12,079 billion (US\$ 179.7 billion) in 2016 and is expected to reach Rs 12,910 billion (US\$ 196.41) billion in 2017 and US\$ 386.3 billion by 2027. Business travel revenues were Rs 689 billion (US\$ 10.25 billion) in 2016 & are projected to increase to Rs 726.6 billion (US\$ 11.1) billion by 2017 and US\$ 23.3 billion by 2027

(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

## **GROWTH DRIVERS**

### **Infrastructure**

More than half of the Ministry of Tourism's Plan budget is channelized for funding the development of destinations, circuits, mega projects as well as rural tourism infrastructure projects

### **Rising FDI**

Hotel & Tourism sector has received cumulative FDI inflows of US\$ 10.90 billion from April 2000 to December 2017. International hotel brands are targeting India.e.g. Carlson group is aiming to increase the number of its hotels in India to 170 by 2020. Hospitality majors are entering into tie ups to penetrate deeper into the market, such as Taj & Shangri-La entered into a strategic alliance to improve their reach & market share by launching loyalty programme aimed at integrating rewarded customers of both hotels.

### **Growing Demand**

Domestic expenditure on tourism is expected to rise due to the growing income of households. A number of niche offerings such as medical tourism and eco-tourism are expected to create more demand

### **Policy Support**

100 per cent FDI is allowed under the automatic route in tourism & hospitality, subject to applicable regulations & laws. The Government of India will develop 10 prominent sites in India into iconic tourist destinations, as per Union Budget 2018-19. Campaigns such as Incredible India & Athithi Devo Bhava were launched to harness the tourism industry's potential

(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

## **ADVANTAGE INDIA**

### **Robust Demand**

100 per cent FDI is allowed under the automatic route in tourism & hospitality, subject to applicable regulations & laws. The Government of India will develop 10 prominent sites in India into iconic tourist destinations, as per Union Budget 2018-19. Campaigns such as Incredible India & Athithi Devo Bhava were launched to harness the tourism industry's potential

### **Diverse Attractions**

India offers geographical diversity, attractive beaches, 30 World Heritage Sites and 25 bio-geographic zones. The country's big coastline is dotted with a number of attractive beaches

### **Attractive Opportunities**



India has a diverse portfolio of niche tourism products – cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural & religious tourism. In January 2017, Federation of Indian Chambers of Commerce & Industry (FICCI) announced the launch of India Travel Tech Launchpad.

**Policy Support**

The Visa on Arrival scheme was extended to 150 countries in 2015. A 5-year tax holiday has been offered for 2,3 and 4-star category hotels located around UNESCO World Heritage sites (except Delhi & Mumbai). Under the Swadesh Darshan scheme, 13 thematic circuits in the country have been selected for development of tourism infrastructure.

(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))



## SUMMARY OF OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward looking statements that involve risks and uncertainties. You should read the chapter titled “Forward Looking Statements” beginning on page 13 of this Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.*

### BUSINESS OVERVIEW

Our Company was originally incorporated as “Mac Hotels Private Limited” at Panaji, Goa as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 20, 1990 bearing Registration Number 01100 issued by Registrar of Companies, Goa. Subsequently, our Company was converted into Public Company and the name of our Company was changed to “Mac Hotels Limited” in the year 2017. The Corporate Identification Number (CIN) of our Company is U55101GA1990PLC001100. Our Company is the subsidiary company of Hotel Miramar Comfort Private Limited which holds 88.27% of equity shares in our Company as on date of this Prospectus.

We are primarily engaged in the business of owning, operating and managing hotels, restaurants and resorts in Goa since last 25 years. Our Company has been incorporated with the main object to carry on the business of hotels, restaurant, café, caravan site, apartment house-keeper etc and related services. Our Hotels and Resorts are tourist destinations for domestic as well as international tourists and are one of the frequented hotels in Goa.

The registered office of our Company is located at First Floor, Beach Plaza (Annexee), Nomxin, Caranzalem, Ilhas, Panaji – 403 001, Goa, India. At present, we operate and manage one resort under the name “Resort Park Avenue” in Goa which is located at Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403 516.

Our Promoters i.e. Edwin E R Cotta and Edgar Maximiano Do Rosario Cotta are having experience of 25 years in the Hospitality Industry especially Hotels and Restaurants Segment. Our promoters have been instrumental in determining the vision and growth strategies for our Company. Our Corporate Promoter Hotel Miramar Comfort Private Limited is engaged in Hospitality Business.

Our Company has entered into Management Services Agreement (OYO Agreement) with Alcott Town Planners Private Limited on September 09, 2017 for providing the services such as - Managing the day to day operations of the property, manage maintenance and supervision of the property, providing food and beverages services.

We value our customers and aim to exceed customer expectations by fulfilling valuable commitments. Our customer-oriented approach and cordial relations with them are the key strengths of our company. We continuously aspire for great heights which not only showcase our signature of success in the present but also leave a mark for future.

### OUR BUSINESS ACTIVITIES

#### RESORT PARK AVENUE

##### **Location**

Mac Hotels Limited operates Resort Park Avenue near Calangute Beach, Goa since year 2013. It is spread over an area of 3225 Square metres. It consists of rooms, multi cuisine restaurant, coffee shop, swimming pool. The accommodation consists of 50 guest rooms ensuring comfort and luxury. This resort is centered around the swimming pool with balconies overlooking the pool. The rooms at this resort are comfortable and spacious appealing to family and couples. The resort has the restaurant and bar of its own. The bar provides refreshment. A great setting to return after exploring the colourful roadside markets.

##### **Facilities**

small outdoor swimming pool, reception, with loungers and parasols, massage, safe deposits boxes, hair dressers, beauty salon, laundry service, vocational evening entertainment (seasonal only).

##### **Food served at Hotels**

Our Restaurants offer a fun dining experience with our services focussing on providing our customers with social engagement, fun with quality food and services in modern ambiances. Our Company operates with the motto of serving quality services at competitive prices to our clients. Our Company strives to create an association with our clients by focusing on their requirements and fulfilling it satisfactorily. The core areas which are under the focus of our management can be elucidated as follows: -



**Quality cuisines**

We provide a wide range of cuisines to meet the varied taste and preference of our clients. Our chefs are experienced, trained and their culinary skills ensure standards of food prepared in line with the client requirements.

**Affordability and convenience**

We strive to offer value-for-money catering services to all our clients by customizing our services to their budget and specific requirements and yet not compromise on the quality.

**Serving with friendly touch**

Our staff is well-trained, efficient and has been trained to maintain a friendly approach towards the end users of our services at the client place. We continuously strive to develop ways and strategies to maintain higher standard of customer satisfaction through our internal processes.

**Hygienic environment**

We emphasize on cleanliness and good hygiene practices in all areas of our operations. Further, we seek to maintain and enhance the level of trust which our clients have in us through periodic checks and up-gradation of our inspection processes.

**THE CHOCOLATE ROOM**

We have signed up with The Chocolate Room India, an Australian Chain of chocolate Cafe. We have opened two stores in Goa, in Calangute and Panjim respectively. The Chocolate Room - is one of the largest franchisees of Chocolate café chain in India. With having a USP of Hot Chocolates, there is more than Chocolate in our café menu like, Hot Chocolates, Choc tails, Choc shakes, Chocizza, Chocolate Crepes, Chocolate Fondues, Italian Panini, Mexican Delicious Food; besides that, a selection of Belgian Bon Bons. The Chocolate Room leverages some powerful management tools to drive its operations.

**END USERS**

End users of our hospitality services are customers who visit our Resort Park Avenue at Goa.

**OUR COMPETITIVE STRENGTHS**

**1. Experienced Management Team**

Our Promoters Edgar Maximiano Do Rosario Cotta and Edwin E R Cotta, look after overall management of the Company and have more than two decades of experience in the field of hospitality industry in which the Company is operating. Under their guidance and expertise, our business has grown over the years and we have become a known name in the hospitality industry in Goa. Further, our company is managed by qualified and experienced personnel. We believe that our management team’s experience and their understanding of the industry will enable us to take advantage of future market opportunities thus expanding our business horizons.

**2. Quality of Services**

We believe that quality of our services plays a key role in our success. Our Company believes in providing quality services to our clients and follows high quality standards of services.

**3. Locational Advantage**

We are strategically located in Goa which is amongst the famous tourist places in India. Our Resort Park Avenue is very proximate to Calangute Beach and Baga Beach in Goa. Thus, we can attract more tourists and increase our customer base

**4. Food and Beverages**

We offer a variety of cuisine, including ethnic Indian, Chinese, Italian and Mediterranean. Our restaurants not only cater to guests’ residents in our resort but also attract non-resident patrons. We believe that our restaurants have developed a strong brand image and customer loyalty due to quality of food served by us.

**SWOT ANALYSIS**

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Brand Image backed by Service</li> <li>• Prime location properties in Goa</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• High real estate cost is a big hindrance to growth</li> </ul>
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<ul style="list-style-type: none"> <li>• Coverage of a large number of leisure destinations</li> </ul>	<ul style="list-style-type: none"> <li>• Changes in the Government Policies</li> </ul>
<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Trained and reliable manpower – cooks, waiters, helpers.</li> <li>• Maintaining, renovation and repositioning of properties to maintain market leadership</li> </ul>	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Expand business to the new locations</li> <li>• Explore niche tourism products – cruises, adventure, medical, wellness, sports, eco-tourism</li> </ul>

**OUR BUSINESS STRATEGY**

We envisage long term growth by providing qualitative services and building long term relations with customers. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business. We intend to focus on our existing range of services with specific emphasis on the following factors as business and growth strategy:

**1. Improving our functional efficiency**

Our Company intends to improve functional efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous improvement in customer service. We continue to invest in operational excellence throughout the organization. We ensure a strong quality commitment by our employees.

**2. Customer Satisfaction**

The Business of our Company is customer oriented and always strives to maintain good relationship with the customers. Our Company provides quality services which ensure that the customers are satisfied with the services and do not have any complain. We believe that with the growth in the economy and our business segment we shall be successful in our efforts to expand our client base.

**3. Brand Image**

We would continue to associate ourselves with good quality customers and execute projects to their utmost satisfaction. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

**4. Leveraging our market skills and relationship**

Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our market skills and relationships and further enhancing customer satisfaction.



## SUMMARY OF FINANCIAL INFORMATION

## STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholders' funds</b>					
(a) Share capital	300.00	300.00	32.53	32.53	32.53
(b) Reserves and surplus	42.96	2.20	(10.85)	(19.27)	(28.03)
<b>Sub-Total</b>	<b>342.96</b>	<b>302.20</b>	<b>21.69</b>	<b>13.26</b>	<b>4.51</b>
<b>2. Non-current liabilities</b>					
(a) Long-term borrowings	173.97	149.99	154.82	131.60	148.64
(b) Deferred tax liabilities (Net)	9.29	7.00	2.24	3.29	4.43
(c) Other Non-Current Liabilities	-	-	-	-	-
<b>Sub-Total</b>	<b>183.26</b>	<b>156.99</b>	<b>157.06</b>	<b>134.89</b>	<b>153.07</b>
<b>3. Current liabilities</b>					
(a) Short-term borrowings	-	-	-	-	-
(b) Trade payables	11.10	20.33	41.15	38.12	22.09
(c) Other current liabilities	43.25	42.13	44.67	27.48	58.37
(d) Short-term provisions	31.94	42.12	36.52	45.29	27.64
<b>Sub-Total</b>	<b>86.29</b>	<b>104.59</b>	<b>122.34</b>	<b>110.89</b>	<b>108.11</b>
<b>TOTAL</b>	<b>612.51</b>	<b>563.78</b>	<b>301.09</b>	<b>259.04</b>	<b>265.69</b>
<b>II. ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Fixed assets	449.27	452.29	150.64	151.45	126.96
(b) Non-current investments	-	-	-	-	-
(c) Long-term loans and advances	-	-	-	-	-
(d) Other Non-Current Assets	-	-	-	-	-
<b>Sub-Total</b>	<b>449.27</b>	<b>452.29</b>	<b>150.64</b>	<b>151.45</b>	<b>126.96</b>
<b>2. Current assets</b>					
(a) Current investments	-	-	-	-	-
(b) Inventories	17.75	17.61	17.30	17.02	17.58
(c) Trade receivables	84.51	64.53	16.15	11.27	14.42
(d) Cash and cash equivalents	38.91	12.01	14.26	11.61	9.17
(e) Short-term loans and advances	22.07	17.35	102.74	67.69	97.55
(f) Other current assets	-	-	-	-	-
<b>Sub-Total</b>	<b>163.24</b>	<b>111.49</b>	<b>150.44</b>	<b>107.59</b>	<b>138.72</b>
<b>TOTAL</b>	<b>612.51</b>	<b>563.78</b>	<b>301.09</b>	<b>259.04</b>	<b>265.69</b>

## STATEMENT OF PROFIT AND LOSS AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
I. Revenue from operations	410.96	307.01	183.43	158.42	136.96
II. Other income	5.11	3.12	4.89	34.67	4.79
<b>III. Total Revenue (I + II)</b>	<b>416.07</b>	<b>310.13</b>	<b>188.32</b>	<b>193.10</b>	<b>141.76</b>
IV. Expenses:					
Purchases of Stock-in-Trade	44.73	53.16	39.00	27.79	13.21
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	0.29	(0.22)	0.29	5.67	(1.96)
Employee benefits expense	17.96	15.09	18.63	19.08	15.21
Finance costs	25.21	20.72	17.87	13.31	15.37
Depreciation and amortization expense	40.53	19.86	23.48	21.32	12.78
Other expenses	232.18	181.56	80.56	98.30	77.69
<b>Total expenses</b>	<b>360.90</b>	<b>290.17</b>	<b>179.83</b>	<b>185.48</b>	<b>132.30</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>	<b>55.17</b>	<b>19.96</b>	<b>8.49</b>	<b>7.61</b>	<b>9.45</b>
VI. Exceptional items	-	-	-	-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>	<b>55.17</b>	<b>19.96</b>	<b>8.49</b>	<b>7.61</b>	<b>9.45</b>
VIII. Extraordinary Items-	-	-	-	-	-
<b>IX. Profit before tax (VII- VIII)</b>	<b>55.17</b>	<b>19.96</b>	<b>8.49</b>	<b>7.61</b>	<b>9.45</b>
X. Tax expense:					
(1) Current tax	12.11	3.80	1.62	1.45	1.80
(2) MAT Credit	-	(1.65)	(0.50)	(1.45)	(1.80)
(3) Deferred tax	2.30	4.76	(1.05)	(1.14)	0.63
<b>XI. Profit (Loss) for the period from continuing operations (VII-VIII)</b>	<b>40.76</b>	<b>13.05</b>	<b>8.43</b>	<b>8.76</b>	<b>8.83</b>
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-
<b>XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XV. Profit (Loss) for the period (XI + XIV)</b>	<b>40.76</b>	<b>13.05</b>	<b>8.43</b>	<b>8.76</b>	<b>8.83</b>
XVI Earnings per equity share:					
(1) Basic & Diluted	1.36	3.84	25.90	26.91	27.13
(2) Adjusted EPS	1.36	3.84	2.59	2.69	2.71

## STATEMENT OF CASH FLOW AS RESTATED

(Amount in Lakhs)

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
Restated Net profit Before Tax and Extraordinary Items	55.17	19.96	8.49	7.61	9.45
<b>Adjustments For:</b>					
Depreciation	40.53	19.86	23.48	21.32	12.78
Interest Received	-	(0.04)	-	-	-
Interest and Finance Charges	25.21	20.72	17.87	13.31	15.36
<b>Operating Profit before working capital changes</b>	<b>120.90</b>	<b>60.50</b>	<b>49.84</b>	<b>42.25</b>	<b>37.60</b>
<b>Adjustment For:</b>					
Decrease/(Increase) in Inventories	(0.14)	(0.31)	(0.28)	0.55	(2.46)
Decrease/(Increase) in Trade receivables	(19.98)	(48.38)	(4.88)	3.15	6.18
Decrease/(Increase) in Short-term loans and advances	(4.72)	85.39	(35.04)	29.85	(38.01)
(Decrease)/Increase in Trade Payables	(9.24)	(20.82)	3.03	16.02	7.22
(Decrease)/Increase in Other Current Liabilities	1.12	(2.54)	17.19	(30.89)	2.85
(Decrease)/Increase in Short Term Provisions	(10.18)	5.60	(8.77)	17.65	10.08
<b>Cash Generated from Operations</b>	<b>77.75</b>	<b>79.44</b>	<b>21.10</b>	<b>78.59</b>	<b>23.46</b>
Taxes Paid	12.11	2.15	1.11	-	-
<b>Net Cash From / (Used In) Operating Activities (A)</b>	<b>65.64</b>	<b>77.29</b>	<b>19.99</b>	<b>78.59</b>	<b>23.46</b>
<b>Cash Flow from Investing Activities</b>					
(Purchase)/Sale of Fixed Assets/ Capital Work in Progress	(37.50)	(321.51)	(22.68)	(45.81)	(17.56)
Interest Received	-	0.04	-	-	-
<b>Net Cash From / (Used In) Investing Activities (B)</b>	<b>(37.50)</b>	<b>(321.47)</b>	<b>(22.68)</b>	<b>(45.81)</b>	<b>(17.56)</b>
<b>Cash Flow from Financing Activities</b>					
Proceeds from Issue of Shares	-	267.46	-	-	-
Interest and Finance Charges	-	(20.72)	(17.87)	(13.31)	(15.37)
(Decrease)/Increase in Long Term Borrowing	23.97	(4.82)	23.21	(17.04)	6.14
<b>Net Cash from Financing Activities (c)</b>	<b>(1.23)</b>	<b>241.92</b>	<b>5.34</b>	<b>(30.35)</b>	<b>(9.23)</b>
<b>Net Increase / (Decrease) in Cash (A)+(B)+(C)</b>	<b>26.91</b>	<b>(2.25)</b>	<b>2.65</b>	<b>2.43</b>	<b>(3.33)</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>12.01</b>	<b>14.26</b>	<b>11.61</b>	<b>9.17</b>	<b>12.51</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>38.91</b>	<b>12.01</b>	<b>14.26</b>	<b>11.61</b>	<b>9.17</b>

The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements"

Figures in Brackets represent outflows

The above statement should be read with the Restated Statement of Assets and Liabilities, Statement of Profit and loss, Significant Accounting Policies and Notes to Accounts as appearing in Annexure I, II, IV(A) respectively.



## THE OFFER

The following is the summary of the Offer:

<b>Offer of Equity Shares <sup>(1)</sup></b>	Offer of 8,10,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹ 24/- per Equity Share aggregating to ₹ 194.40 Lakh.
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	Offer of 42,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹ 24/- per Equity Share aggregating to ₹ 10.08 Lakh.
<b>Net Offer to the Public <sup>(2)</sup></b>	Offer of 7,68,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹ 24/- per Equity Share aggregating to ₹ 184.32 Lakh.
<b>Out of which:</b>	
<b>Allocation to Retail Individual Investors for up to ₹2.00 Lakh</b>	3,84,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹ 24/- per Equity Share aggregating to ₹ 92.16 Lakh.
<b>Allocation to other investors for above ₹2.00 Lakh</b>	3,84,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹ 24/- per Equity Share aggregating to ₹ 92.16 Lakh.
<b>Pre and Post-Offer Equity Shares</b>	
Equity Shares outstanding prior to the Offer	30,00,000 Equity Shares of ₹10 each
Equity Shares outstanding after the Offer	30,00,000 Equity Shares of ₹10 each
<b>Objects of the Offer</b>	Please refer to the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 64 of this Prospectus.

Public Offer of up to 8,10,000 Equity Shares of ₹10.00 each for cash at a price of ₹ 24/- per Equity Share of our Company aggregating to ₹194.40 Lakhs is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to chapter “*Terms of the Offer*” on page 200 of this Prospectus. The present Offer has been authorized pursuant to a resolution of our Board of Directors dated May 09, 2018 and by special resolution passed under Section 28 of the Companies Act, 2013 at the Extra-ordinary General Meeting of the members held on May 10, 2018.

The offer for sale has been authorised by the Selling Shareholder by its consent letter dated May 08, 2018 as follows:

Sr. No.	Name of Selling Shareholder	No. of Equity Shares Offered
1	Hotel Miramar Comfort Private Limited	8,10,000

As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present Offer is a fixed price Offer the allocation in the net Offer to the public category shall be made as follows:

- Minimum fifty percent to retail individual investors; and
- Remaining to:
  - a) Individual applicants other than retail individual investors; and
  - b) 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.



## GENERAL INFORMATION

Our Company was originally incorporated as “Mac Hotels Private Limited” at Panaji, Goa as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 20, 1990 issued by Registrar of Companies, Goa, Daman & Diu. Subsequently, our Company was converted into Public Company pursuant to Shareholders resolution passed at the Extra Ordinary General Meeting of our Company held on July 27, 2017 and the name of our Company was changed to “Mac Hotels Limited” and a fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated August 10, 2017 was issued by the Registrar of Companies, Goa. The Corporate Identification Number (CIN) of our Company is U55101GA1990PLC001100.

<b>Brief Company and Offer Information</b>	
<b>Registration Number</b>	01100
<b>Corporate Identification Number</b>	U55101GA1990PLC001100
<b>Address of Registered office of our Company</b>	First Floor, Beach Plaza (Annexee), Nomxin, Caranzalem, Ilhas, Panaji – 403 001, Goa, India <b>Tel:</b> + 91-0832-2464299 <b>Fax:</b> NA <b>E-mail:</b> <a href="mailto:investor@machotels.net">investor@machotels.net</a> <b>Website:</b> <a href="http://www.machotels.net">www.machotels.net</a>
<b>Address of Resort Park Avenue</b>	Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403 516
<b>Address of The Chocolate Room</b>	Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403 516
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Goa, Daman &amp; Diu</b> Company Law Bhawan, EDC Complex, Plot No. 21, Patto, Panaji Goa – 403 001, Goa, India <b>Website:</b> <a href="http://www.mca.gov.in">www.mca.gov.in</a>
<b>Designated Stock Exchange</b>	<b>SME Platform of BSE</b> P.J. Towers, Dalal Street; Fort, Mumbai – 400 001, Maharashtra, India <b>Website:</b> <a href="http://www.bseindia.com">www.bseindia.com</a>
<b>Offer Programme</b>	Offer Opens on: September 19, 2018 Offer Closes on: September 25, 2018
<b>Company Secretary and Compliance Officer</b>	Priyanka Sen First Floor, Beach Plaza (Annexee), Nomxin, Caranzalem, Ilhas, Panaji – 403 001, Goa, India <b>Tel:</b> + 91-0832-2464299 <b>Fax:</b> NA <b>Email:</b> <a href="mailto:cs@machotels.net">cs@machotels.net</a> <b>Website:</b> <a href="http://www.machotels.net">www.machotels.net</a>
<b>Chief Financial Officer</b>	Jose Schubert De Cotta First Floor, Beach Plaza (Annexee), Nomxin, Caranzalem, Ilhas, Panaji - 403 001, Goa, India <b>Tel:</b> + 91-0832-2464299 <b>Fax:</b> NA <b>Email:</b> <a href="mailto:cfo@machotels.net">cfo@machotels.net</a> <b>Website:</b> <a href="http://www.machotels.net">www.machotels.net</a>

For details in relation to the changes to the name of our Company, Registered office and other details, please refer to the chapter titled “History and Certain Other Corporate Matters” beginning on page 104 of this Prospectus.

### Our Board of Directors

Details regarding our Board of Directors as on the date of this Prospectus are set forth in the table hereunder:



Name	Designation	Address	Age (Years)	DIN
Mr. Edgar Maximiano Do Rosario Cotta	Managing Director	319/1 Greenland Co-Op Housing Society, F1 Behind Military Hospital, Campal Panaji – 403 001, Goa	49	00124357
Mr. Edwin E R Cotta	Chairman & Whole Time Director	Malwara Tiswadi, Agassaim, Panaji - 403 204, Goa	49	02691199
Mrs. Ingrid Cotta	Non- Executive Director	Ocean Park, Plot No. A1 Vivienda De Braganza Dona Paula - 403 003, Goa	63	00075917
Mr. Blaise Lawrence Costabir	Non-Executive Independent Director	C D Countryside Bunglow No RND-27 Cluster 5 RAINBOW VILLAS, Fatorda Margao 403 602, Goa	54	00898174
Mr. Ephrem Frederick Mendanha	Non-Executive Independent Director	75 / B2, Lake View Villas, Sodovim, Verna 403 722	66	07787277

For detailed profile of our Managing Director, Whole Time Director and other Directors, refer “Our Management” and “Our Promoter and Promoter Group” on page 108 and 122 respectively of this Prospectus.

#### Details of Key Intermediaries pertaining to this Offer of Our Company:

Lead Manager to the Offer	Registrar to the Offer
<p><b>Gretex Corporate Services Private Limited</b> Registered Office: Office No. - 102, 1st Floor, Kanakia Atrium-2, Chakala, Andheri Kurla Road, Behind Courtyard Marriot, Mumbai – 400 093 Tel. No.: +91 33 4006 9278 Email: <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> Website: <a href="http://www.gretexcorporate.com">www.gretexcorporate.com</a> Contact Person: Ms. Kritika Rupda SEBI Registration No.: INM000012177</p>	<p><b>Bigshare Services Private Limited</b> 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059, Maharashtra, India Tel: +91 22 6263 8200 Fax: +91 22 6263 8299 Email: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> Contact Person: Nilesh S Chalke SEBI Registration No: INR000001385</p>
Bankers to the Company	Legal Advisor to the Offer
<p><b>Citizen Credit Co –Operative Bank Limited</b> H. No. – E- 320, Rua De Ourem, Panaji – 403 001, Goa, India Tel: (0832) 2432995 E-mail: <a href="mailto:panaji@citizencreditbank.com">panaji@citizencreditbank.com</a> Website: <a href="http://www.citizencreditbank.com">www.citizencreditbank.com</a> Contact Person: Augustine Fernandes</p> <p><b>SVC Co – Operative Bank Limited</b> Primavera Building, Next to EDC House, Dr. Atmaram Borker Road, Panjim, Tiswadi – 403001, Goa, India. Tel: 0832 2432552 / 2432553 E-mail: <a href="mailto:gidwanlnp@svcbank.com">gidwanlnp@svcbank.com</a>/ <a href="mailto:panjimmmou@svcbank.com">panjimmmou@svcbank.com</a> Website: <a href="http://www.svcbank.com">www.svcbank.com</a> Contact Person: Mahendra Amonkar</p> <p><b>Bank of India</b> Saligao Branch, Panchayat Building, Saligao, Bardez – 403 511, Goa, India</p>	<p><b>M. V. Kini Law firm</b> Kini House, Near Citibank, D.N. Road, Fort, Mumbai – 400 001, Maharashtra, India Tel: +91 22 2261 2527/28/29 Fax: +91 22 2261 2530 E-mail: <a href="mailto:vidisha@mvkini.com">vidisha@mvkini.com</a> Contact Person: Vidhisha Krishan Website: <a href="http://www.mvkini.com">www.mvkini.com</a></p>





<b>Tel:</b> +91 (0832) 2278371/ 2278682 <b>E-mail:</b> <a href="mailto:saligao.goa@bankofindia.co.in">saligao.goa@bankofindia.co.in</a> <b>Website:</b> <a href="http://www.bankofindia.co.in">www.bankofindia.co.in</a> <b>Contact Person:</b> Atish Hodawdekar	
<b>Statutory Auditor of the Company</b> <b>Milind Kulkarni &amp; Associates</b> <b>Chartered Accountants</b> X-14 Bldg., A1, Kurtarkar's Jairam Complex, 4 <sup>th</sup> Floor, Opp. Mala Lake, Neugi Nagar, Mala, Panaji, - 403001, Goa, India <b>Tel:</b> 0832-2976616 / 9923131585 <b>Fax:</b> NA. <b>Email:</b> <a href="mailto:krmilind@gmail.com">krmilind@gmail.com</a> <b>Contact Person:</b> Milind R. Kulkarni <b>Firm Registration No:</b> 120997W <b>Membership No:</b> 109025	<b>Peer Review Auditor</b> <b>N. K. Aswani &amp; Co.</b> <b>Chartered Accountants</b> 701/A, Wall Street – II, Ellisbridge, Ahmedabad – 380006, Gujarat, India <b>Tel:</b> +91 079-26402552/53 <b>Email:</b> <a href="mailto:narainkaswani@yahoo.co.in">narainkaswani@yahoo.co.in</a> <b>Contact Person:</b> Narain Aswani <b>Firm Registration No:</b> 100738W <b>Membership No:</b> 033278
<b>Banker to the Offer</b> <b>ICICI Bank Limited</b> Capital Market Division, 1 <sup>st</sup> Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation Churchgate, Mumbai – 400 020, Maharashtra, India <b>Tel:</b> +91 22 6681 8923/924/932 <b>Fax:</b> +91 22 2261 1138 <b>Email:</b> <a href="mailto:shweta.surana@icicibank.com">shweta.surana@icicibank.com</a> <b>Contact Person:</b> Shweta Surana <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a> <b>SEBI Registration Number:</b> INBI00000004	

*M/s N. K. Aswani & Co. are appointed as peer review auditors of our Company in compliance with section IX of part A of Schedule VIII of SEBI (ICDR) and hold a valid peer review certificate dated November 13, 2013 issued by the "Peer Review Board" of the ICAI.*

**Applicants can contact the Compliance Officer or the Lead Manager or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the Lead Manager, who shall respond to the same.**

Applicants may contact the Lead Manager for complaints, information or clarifications pertaining to the Offer.

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

#### **Self-Certified Syndicate Banks (SCSB's)**

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>. For details of the Designated Branches which shall collect Application Forms, please refer to the above-mentioned link.

#### **Registrar and Share Transfer Agents**

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

#### **Collecting Depository Participants**



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

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

Since Gretex Corporate Services Private Limited is the sole Lead Manager to this Offer, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

#### Credit Rating

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

#### IPO Grading

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

#### Brokers to the Offer

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

#### Expert Opinion

Except as stated below, our Company has not obtained any expert opinions:

#### Trustees

This is an Offer of equity shares hence appointment of trustees is not required.

#### Debenture Trustees

This is an Offer of equity shares hence appointment of debenture trustees is not required.

#### Appraisal and Monitoring Agency

The objects of the Offer have not been appraised by any agency.

The Objects of the Offer and means of finance, therefore, are based on internal estimates of our Company. In terms of Regulation 16 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Offer size is not in excess of ₹ 10,000 lakhs.

#### Underwriting Agreement

This Offer is 100% Underwritten. The Underwriting agreement is dated May 15, 2018 and addendum dated September 05, 2018. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter are several and are subject to certain conditions specified therein.

The Underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Offer:

Details of the Underwriter	No. of shares underwritten*	Amount Underwritten (₹in lakhs)	% of the Total Offer Size Underwritten
<b>ALTINA SECURITIES PRIVATE LIMITED</b> Office No. - 303, Anand House, 13th Road Off Linking Road, Khar West Mumbai – 400 052 Tel. No.: +91 98200 24185 Email: <a href="mailto:info@altinasecurities.com">info@altinasecurities.com</a>	6,88,500	165.24	85



<b>Website:</b> <a href="http://www.altinasecurities.com">www.altinasecurities.com</a> <b>Contact Person:</b> Mr. Clifton Desilva <b>SEBI Registration No.:</b> INB231085235			
<b>GRETEX CORPORATE SERVICES PRIVATE LIMITED</b> Registered Office: Office No. - 102, 1st Floor, Kanakia Atrium-2, Chakala, Andheri Kurla Road, Behind Courtyard Marriot, Mumbai – 400 093 <b>Tel. No.:</b> +91 33 4006 9278 <b>Email:</b> <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> <b>Website:</b> <a href="http://www.gretexcorporate.com">www.gretexcorporate.com</a> <b>Contact Person:</b> Mr. Alok Harlalka <b>SEBI Registration No.:</b> INM000012177	1,21,500	29.16	15

\*Includes 42,000 Equity shares of ₹10.00 each for cash of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 106V(4) of the SEBI (ICDR) Regulations, 2009, as amended.

In the opinion of our Board of Directors, the resources of the above-mentioned Underwriters are sufficient to enable them to discharge the underwriting obligations in full. The abovementioned Underwriters is registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

#### Details of the Market Making Arrangement for this Offer

Our Company has entered into Market Making Agreement dated May 15, 2018 and Addendum dated September 05, 2018 with the Lead Manager and Market Maker to fulfill the obligations of Market Making:

The details of Market Maker are set forth below:

<b>Name</b>	Gretex Share Broking Private Limited
<b>Corporate Office Address</b>	Office no. 13, 1 <sup>st</sup> Floor, Raja Bahadur Mansion, 9-15, Homi Modi Street, Near BSE, Fort, Mumbai – 400 023, Maharashtra
<b>Tel no.</b>	+91 22 4002 5273
<b>Fax no.</b>	+91 22 4002 5273
<b>Email</b>	<a href="mailto:sherwoodpvtltd@yahoo.co.in">sherwoodpvtltd@yahoo.co.in</a>
<b>Contact Person</b>	Mr. Alok Harlalka
<b>SEBI Registration No.</b>	INB011394633

Gretex Share Broking Private Limited, registered with SME platform of BSE will act as the market maker and 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 a period as may be notified by amendment to SEBI (ICDR) Regulations.

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

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

- The Market Maker 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 shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 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%. (Including the 5% of Equity Shares of the Offer.) Any Equity Shares allotted to Market Maker under this Offer over and above 5% of Offer Size would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.



- There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- The shares of the Company will be traded in continuous trading session from the time and day the Company gets listed on SME Platform of BSE Limited and Market Maker will remain present as per the guidelines mentioned under BSE Limited and SEBI circulars.
- 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.
- The Market Maker shall have the right to terminate said arrangement by giving a three-month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.
- In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

**Risk containment measures and monitoring for Market Makers:** BSE Limited, SME Platform will have all margins which are applicable on the BSE Limited, Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.

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

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

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

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

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



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

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

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

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



## CAPITAL STRUCTURE

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

S. No.	Particulars	Amount (₹ in lakhs)	
		Aggregate Nominal Value	Aggregate value at Offer Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	31,00,000 Equity Shares of ₹10.00 each	310.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Offer</b>		
	30,00,000 Equity Shares of ₹10.00 each	300.00	-
<b>C.</b>	<b>Present Offer in terms of this Prospectus*</b>		
	Offer for Sale of 8,10,000 Equity Shares of face value Rs.10/- each at a price of ₹ 24/- per Equity Share	81.00	194.40
	<b>Which comprises:</b>		
	42,000 Equity Shares of ₹10.00 each at a price of ₹ 24/- per Equity Share reserved as Market Maker portion	4.20	10.08
	Net Offer to the Public of 7,68,000 Equity Shares of ₹10.00 each at a price of ₹ 24/- per Equity Share	76.80	184.32
	<b>Of which:</b>		
	3,84,000 Equity Shares of ₹10.00 each at a price of ₹ 24/- per Equity Share will be available for allocation to Retail Individual Investors up to ₹ 2.00 Lakhs	38.40	92.16
	3,84,000 Equity Shares of ₹10.00 each at a price of ₹ 24/- per Equity Share will be available for allocation to Other than Retail Individual Investors above ₹2.00 Lakhs	38.40	92.16
<b>D.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Offer</b>		
	30,00,000 Equity Shares of ₹10/- each	300.00	-
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Offer		-
	After the Offer		113.40

\*The present Offer of 8,10,000 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors dated May 09, 2018 and by special resolution passed under Section 28 of the Companies Act, 2013 at the Extra-ordinary General Meeting of the members held on May 10, 2018.

The offer for sale has been authorised by the Selling Shareholder by its consent letter dated May 08, 2018 as follows:

Sr. No.	Name of Selling Shareholder	No. of Equity Shares Offered
1	Hotel Miramar Comfort Private Limited	8,10,000

### Class of Shares

Our Company has only one class of share capital i.e. Equity Shares of ₹10/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Prospectus.

### Details of changes in Authorized Share Capital of Our Company since incorporation



Particulars of Change		Date of Shareholders' Meeting	AGM / EGM
From	To		
Rs. 5,00,000 consisting of 4,000 Equity Shares of Rs. 100 each and 1,000 4% Redeemable, Non-Cumulative Preference Shares of Rs. 100 each.		On Incorporation	--
Rs. 5,00,000 consisting of 4,000 Equity Shares of Rs. 100 each and 1,000 4% Redeemable, Non-Cumulative Preference Shares of Rs. 100 each.	Rs. 50,00,000 consisting of 49,000 Equity Shares of Rs. 100 each and 1,000 4% Redeemable, Non-Cumulative Preference Shares of Rs. 100 each.	March 15, 1999	EGM
Reclassification of 49,000 Equity Shares of Rs. 100 each and 1,000 4% Redeemable, Non-Cumulative Preference Shares of Rs. 100 each into 5,00,000 Equity Shares of Rs. 10 each.		January 01, 2017	EGM
Rs. 50,00,000 consisting of 5,00,000 Equity Shares of Rs. 10 each.	Rs. 3,10,00,000 consisting of 31,00,000 Equity Shares of Rs. 10 each.	January 16, 2017	EGM

### Notes to Capital Structure:

#### 1. History of Issued and Paid Up Share Capital of our Company

The history of the equity share capital of our Company is set forth below:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Offer Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Cumulative Securities Premium (₹)
On Incorporation	3	100.00	100.00	Cash	Subscription to MoA <sup>(i)</sup>	3	300.00	0.00
March 27, 2000	32,531	100.00	100.00	Cash	Further Allotment <sup>(ii)</sup>	32,534	32,53,400.00	0.00
Sub-division of each share of the Company having face value of Rs. 100/- each into 10 Equity shares of Rs. 10/- each with effect from January 01, 2017. After sub-division the restated position is as under: -								
-	-	10.00	-	-	-	3,25,340	32,53,400.00	-
March 30, 2017	26,48,000	10.00	10.00	Other than cash	Preferential Allotment <sup>(iii)</sup>	29,73,340	2,97,33,400.00	-
March 30, 2017	26,660	10.00	10.00	Other than cash	Preferential Allotment <sup>(iv)</sup>	30,00,000	3,00,00,000.00	-

#### (i) Initial Subscribers to the Memorandum of Association of our Company:

S.N.	Name	No. of Equity Shares
1.	Alfredo M Cotta	1
2.	Edgar Maximiano Do Rosario Cotta	1
3.	Edwin E R Cotta	1
<b>Total</b>		<b>3</b>

#### (ii) Further Allotment of 32,531 Equity Shares of Face Value of ₹100/- at par:

S.N.	Name	No. of Equity Shares
1.	Alfred M Cotta	25,140
2.	Mac Realtors Pvt Ltd	1,000
3.	Jose Schubert De Cotta	6,391
<b>Total</b>		<b>32,531</b>

(iii) **Preferential Allotment of 26,48,000 Equity Shares of Face Value of ₹10/- at par:**

S.N.	Name	No. of Equity Shares
1.	Hotel Miramar Comfort Pvt Ltd	26,48,000
<b>Total</b>		<b>26,48,000</b>

(iv) **Preferential Allotment of 26,660 Equity Shares of Face Value of ₹10/- at par:**

S.N.	Name	No. of Equity Shares
1.	Skoda Cotta	24,660
2.	Deanne Servula Maria Desa	1,000
3.	Lisel Maria Socorro Cotta De Souza	1,000
<b>Total</b>		<b>26,660</b>

**2. Offer of Equity Shares for Consideration other than Cash.**

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

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Offer Price (Rs.)	Reasons for Allotment	Benefits accrued to our Company	Allottees	No. of Shares Allotted
March 30, 2017	26,48,000	10	10	Purchase of Property against Offer of Equity Shares	Company has acquired property for its business purpose	Hotel Miramar Comfort Private Limited	26,48,000
March 30, 2017	26,660	10	10	Allotment of Shares to Creditors of Company	Payment to Creditors in Equity Shares of Company	Skoda Cotta	24,660
						Deanne Servula Maria Desa	1,000
						Lisel Maria Socorro Cotta De Souza	1,000

3. No Equity Shares have been allotted pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Section 230-233 of the Companies Act, 2013.

4. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.

5. Our Company has not issued any Equity Shares in the one year immediately preceding the date of this Prospectus at a price which is lower than the Offer Price.

**6. Build Up of our Promoters' Shareholding, Promoters' Contribution and Lock-In**

As on the date of this Prospectus, our Promoters hold 27,88,000 Equity Shares, constituting 92.93% of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

**Build-up of our Promoters' shareholding in Our Company****Edgar Maximiano Do Rosario Cotta**

Date of Allotment / Acquisition / Sale	Number of Equity Shares	Pre – Offer Cumulative No. of	Post – Offer Cumulative No. of	Face Value (₹)	Offer/ Acquisition/ Sale	Nature of Consideration (Cash/ Other)	Nature of transaction	% of pre- Offer equity share capital	% of post Offer equity share	Sources of funds
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		Equity Share	Equity Share		Price per Equity Share (₹)	than Cash)			capital	
On Incorporation	1	1	1	100	100	Cash	Subscription to MoA	Negligible	Negligible	Owned Funds
November 27, 2010	500	501	501	100	100	Cash	Acquired from Mac Realtors Pvt Ltd	0.17	0.17	Owned Funds
October 14, 2016	6,499	7,000	7,000	100	-	Other than cash	Acquired from Alfredo M Cotta	2.16	2.16	By way of Gift
	<b>7,000</b>		<b>7,000</b>					<b>2.33</b>	<b>2.33</b>	
Sub-division of each share of the Company having face value of Rs. 100/- each into 10 Equity shares of Rs. 10/- each with effect from January 01, 2017 after sub-division the restated position is as under: -										
	<b>70,000</b>		<b>70,000</b>					<b>2.33</b>	<b>2.33</b>	

## Edwin E R Cotta

Date of Allotment / Acquisition/ Sale	Number of Equity Shares	Pre – Offer Cumulative No. of Equity Share	Post – Offer Cumulative No. of Equity Share	Face Value (₹)	Offer/ Acquisition/ Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre- Offer equity share capital	% of post Offer equity share capital	Sources of funds
On Incorporation	1	1	1	100	100	Cash	Subscription to MoA	Negligible	Negligible	Owned Funds
November 27, 2010	500	501	501	100	100	Cash	Acquired from Mac Realtors Pvt Ltd	0.17	0.17	Owned Funds
October 14, 2016	6,499	7,000	7,000	100	-	Other than cash	Acquired from Alfredo M Cotta	2.16	2.16	By way of Gift
	<b>7,000</b>		<b>7,000</b>					<b>2.33</b>	<b>2.33</b>	
Sub-division of each share of the Company having face value of Rs. 100/- each into 10 Equity shares of Rs. 10/- each with effect from January 01, 2017 after sub-division the restated position is as under: -										
	<b>70,000</b>		<b>70,000</b>					<b>2.33</b>	<b>2.33</b>	

## Hotel Miramar Comfort Pvt Ltd

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Pre- Offer Cumulative No. of Equity Share	Post- Offer Cumulative No. of Equity Share	Face Value (₹)	Offer/ Acquisition/ Sale Price per	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre- Offer equity share capital	% of post Offer equity share capital	Sources of funds
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			Equity Share		Equity Share (₹)					
March 30, 2017	26,48,000	26,48,000	18,38,000	10	10	Other than cash	In consideration to Sale of property to our Company	88.27	61.27	NA
	<b>26,48,000</b>		<b>18,38,000</b>					<b>88.27</b>	<b>61.27</b>	

#### Details of Promoters' Contribution Locked-in for Three Years

Pursuant to the Regulation 32(1) (a) of SEBI (ICDR) Regulations, an aggregate of at least 20% of the post Offer Equity Share capital of our Company held by our Promoters shall be considered as Promoters' contribution ("Promoters' Contribution") and locked-in for a period of three years from the date of Allotment.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20% of the post Offer Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above. Details of the Equity Shares forming part of Promoters' Contribution and proposed to be locked-in for a period of three years are as follows:

Date of Allotment	Nature of acquisition	Number of Equity Shares	Face Value per Equity Share (₹)	Offer price per Equity Share (₹)	% of Pre- Offer Equity Share Capital	% of Post- Offer Equity Share Capital
<b>Edgar Maximiano Do Rosario Cotta</b>						
On Incorporation	Subscription to MoA	10	10.00	10.00	Negligible	Negligible
November 27, 2010	Transfer from Mac Realtors Pvt Ltd	5,000	10.00	10.00	0.17	0.17
October 14, 2016	Transfer from Alfredo M Cotta	64, 990	10.00	-	2.16	2.16
<b>Edwin E R Cotta</b>						
On Incorporation	Subscription to MoA	10	10.00	10.00	Negligible	Negligible
November 27, 2010	Transfer from Mac Realtors Pvt Ltd	5,000	10.00	10.00	0.17	0.17
October 14, 2016	Transfer from Alfredo M Cotta	64, 990	10.00	-	2.16	2.16
<b>Hotel Miramar Comfort Pvt Ltd</b>						
March 30, 2017	Preferential Allotment	4,70,000	10.00	10.00	15.67	15.67
<b>Total</b>		<b>6,10,000</b>			<b>20.33</b>	<b>20.33</b>

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 33 of the SEBI (ICDR) Regulations. In this computation, as per Regulation 33 of the SEBI Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- (i) The Equity Shares acquired during the three years preceding the date of this Prospectus:
  - for consideration other than cash and revaluation of assets or capitalization of intangible assets, or



- bonus shares issued out of revaluations reserves or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoters' Contribution;
- (ii) The Equity Shares acquired during the year preceding the date of this Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- (iii) Equity Shares issued to the Promoters upon conversion of a partnership firm; and
- (iv) Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance.

Specific written consent has been obtained from the Promoters for inclusion of the Equity Shares for ensuring lock-in of three years to the extent of minimum 20% of post Offer paid-up Equity Share Capital from the date of allotment in the proposed public Offer.

The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoter under the SEBI (ICDR) Regulations, 2009. The Promoters' Contribution constituting 20% of the post Offer capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Offer.

The Equity Shares held by our Promoters may be transferred to and among the Promoter Group or to new promoters or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code, as applicable.

#### ***Equity Shares locked-in for one year***

Other than the Equity Shares held by our Promoter, which will be locked-in as minimum Promoters' contribution for three years, all pre-Offer Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Offer.

#### ***Other requirements in respect of 'lock-in'***

Pursuant to Regulation 39 of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution as collateral security for loans granted by such scheduled commercial bank or public financial institution, provided that (i) the pledge of shares is one of the terms of sanction of the loan and (ii) if the shares are locked-in as Promoters' contribution for three years under Regulation 36(a) of the SEBI (ICDR) Regulations, then in addition to the requirement in (i) above, such shares may be pledged only if the loan has been granted by the scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Offer.

Pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters, which are locked-in in accordance with Regulation 36 of the SEBI (ICDR) Regulations, may be transferred to and among our Promoters and any member of the Promoter Group, or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the Takeover Regulations, as applicable.

Further, pursuant to Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters which are locked-in in accordance with Regulation 37 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares which are locked-in, subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the Takeover Regulations, as applicable.

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

7. There has been no acquisition, sale or transfer of Equity Shares by our Promoters during last 6 months preceding the date of filing of this Prospectus.

#### **8. Our shareholding Pattern**

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



Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of ₹10/- each^	Class eg: y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VIII+IX	XII	XIII	XIV		
(A)	Promoter & Promoter Group	8	30,00,000	-	-	30,00,000	100.00	30,00,000		30,00,000	100.00	-	100.00	-	-	-	30,00,000	
(B)	Public													-	-	-		
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>8</b>	<b>30,00,000</b>	<b>-</b>	<b>-</b>	<b>30,00,000</b>	<b>100</b>	<b>30,00,000</b>	<b>-</b>	<b>30,00,000</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,00,000</b>	

\*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 SME Platform of BSE.





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 BSE before commencement of trading of such Equity Shares.

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

**9. The shareholding pattern of our Company before and after the Offer is set forth below:**

Sr. No.	Particulars	Pre-Offer		Post Offer	
		No. of Shares	% Holding	No. of Shares	% Holding
a)	Promoters	27,88,000	92.93	19,78,000	65.93
b)	Promoter Group	2,12,000	7.07	2,12,000	7.07
	<b>Total</b>	<b>30,00,000</b>	<b>100.00</b>	<b>21,90,000</b>	<b>73.00</b>

**10. The shareholding pattern of our Promoter and Promoter Group before and after the Offer is set forth below:**

Sr.	Particulars	Pre-Offer		Post Offer	
		No. of Shares	% Holding	No. of Shares	% Holding
a)	<b>Promoters</b>				
	Edgar Maximiano Do Rosario Cotta	70,000	2.33	70,000	2.33
	Edwin E R Cotta	70,000	2.33	70,000	2.33
	Hotel Miramar Comfort Pvt Ltd	26,48,000	88.27	18,38,000	61.27
	<b>Total (A)</b>	<b>27,88,000</b>	<b>92.93</b>	<b>19,78,000</b>	<b>65.93</b>
b)	<b>Promoter Group</b>				
	Alfredo M Cotta	70,000	2.33	70,000	2.33
	Jose Schubert De Cotta	70,000	2.33	70,000	2.33
	Skoda Cotta	70,000	2.33	70,000	2.33
	Deanne Servula Maria Desa	1,000	0.03	1,000	0.03
	Lisel Maria Socorro Cotta De Souza	1,000	0.03	1,000	0.03
	<b>Total (B)</b>	<b>2,12,000</b>	<b>7.07</b>	<b>2,12,000</b>	<b>7.07</b>
	<b>Total(A+B)</b>	<b>30,00,000</b>	<b>100.00</b>	<b>30,00,000</b>	<b>73.00</b>

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

Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in ₹)
Edgar Maximiano Do Rosario Cotta	70,000	10.00
Edwin E R Cotta	70,000	10.00
Hotel Miramar Comfort Pvt Ltd	26,48,000	10.00

**12. None of our Directors or Key Managerial Personnel hold Equity Shares in our Company, other than as set forth below:**

Name of the Directors	No. of Equity Shares held	Pre-Offer percentage of Shareholding
Edgar Maximiano Do Rosario Cotta	70,000	2.33
Edwin E R Cotta	70,000	2.33
Jose Schubert De Cotta	70,000	2.33
<b>Total</b>	<b>2,10,000</b>	<b>6.99</b>

**13. Particulars of top ten shareholders and the number of Equity Shares held by them are set forth below:**

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



Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre-Offer Capital
1.	Hotel Miramar Comfort Pvt Ltd	26,48,000	88.27
2.	Edgar Maximiano Do Rosario Cotta	70,000	2.33
3.	Edwin E R Cotta	70,000	2.33
4.	Alfredo M Cotta	70,000	2.33
5.	Jose Schubert De Cotta	70,000	2.33
6.	Skoda Cotta	70,000	2.33
7.	Deanne Servula Maria Desa	1,000	0.03
8.	Lisel Maria Socorro Cotta De Souza	1,000	0.03
	<b>Total</b>	<b>30,00,000</b>	<b>100.00</b>

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

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre-Offer Capital
1.	Hotel Miramar Comfort Pvt Ltd	26,48,000	88.27
2.	Edgar Maximiano Do Rosario Cotta	70,000	2.33
3.	Edwin E R Cotta	70,000	2.33
4.	Alfredo M Cotta	70,000	2.33
5.	Jose Schubert De Cotta	70,000	2.33
6.	Skoda Cotta	70,000	2.33
7.	Deanne Servula Maria Desa	1,000	0.03
8.	Lisel Maria Socorro Cotta De Souza	1,000	0.03
	<b>Total</b>	<b>30,00,000</b>	<b>100.00</b>

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

Sr. No.	Name of shareholder	No. of Equity Shares	% of the then Existing Total Paid-up Capital
1.	Edgar Maximiano Do Rosario Cotta	25,141	77.28
2.	Edwin E R Cotta	501	1.54
3.	Alfredo M Cotta	501	1.54
4.	Jose Schubert De Cotta	6,391	19.64
	<b>Total</b>	<b>32,534</b>	<b>100.00</b>

*Note: Our Company had only 4 shareholders two years prior to the date of this Prospectus. The face value of equity shares before two years prior to the date of filing of the Prospectus was Rs. 100 per equity share.*

14. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed Offer. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

15. There will be no further Offer of capital, whether by way of Offer of bonus shares, preferential allotment, and rights Offer or in any other manner during the period commencing from the date of this Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Offer, by way of split / consolidation of the denomination of Equity Shares or further Offer of Equity Shares (including Offer of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

16. No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Prospectus with the BSE Limited.



17. Our Company, our Promoters, our Directors and the Lead Manager to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company through this Prospectus.

18. There are no safety net arrangements for this public Offer.

19. An oversubscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the minimum allotment lot and multiple of one share thereafter, while finalizing the Basis of Allotment. Consequently, the actual allotment may go up by a maximum of 10% of the Offer as a result of which, the post-Offer paid up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased so as to ensure that 20% of the Post Offer paid-up capital is locked in for 3 years.

20. Under-subscription in the net Offer, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the BSE Limited.

21. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.

22. All the Equity Shares of our Company are fully paid up as on the date of this Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be issued fully paid-up equity shares.

23. As per RBI regulations, OCBs are not allowed to participate in this Offer.

24. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

25. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.

26. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoter to the persons who receive allotments, if any, in this Offer.

27. We have 8 (Eight) Shareholders as on the date of this Prospectus.

28. Our Company has not made any public Offer since its incorporation.

29. This Offer is being made under Rule 19(2)(b) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations.

30. As on the date of this Prospectus, the Lead Manager and their respective associates (determined as per the definition of 'associate Company' under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company.

31. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

32. For the details of transactions by our Company with our Promoter Group, Group Companies during the financial years ended March 31, 2013, 2014, 2015, 2016 and 2017 for nine months period ended December 31, 2017, please refer "*Financial Statements as Restated*" on page 133 of this Prospectus.



## SECTION IV: PARTICULARS OF THE OFFER

### OBJECTS OF THE OFFER

The object of the Offer is to achieve the benefits of listing the Equity Shares on the Designated Stock Exchange and for the sale of 8,10,000 Equity Shares by the Selling Shareholder (“Hotel Miramar Comfort Private Limited” or “HMCP”).

Further, our Company expects that the listing of the Equity Shares will enhance our visibility and brand image among our existing and potential customers and provide liquidity to the existing shareholders. Our Company will not receive any proceeds of the Offer and all the proceeds will go to the Selling Shareholder.

#### Public Offer Expense

The estimated Offer related expenses include Offer Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar’s Fees, Depository Fee and Listing Fee. The total expenses for this Offer are estimated to be approximately ₹ 40.00 Lakhs. All the Offer related expenses shall be met out of the proceeds of the Offer and the break-up of the same is as follows:

Particulars	Estimated Expenses (₹ in Lakhs)	Expenses (% of Gross Offer Proceeds)
Payment to Merchant Banker including fee and reimbursement of payment to other intermediaries such as Listing, Depository Fees, Legal Advisors, Statutory, Registrars, Marketing & Advertisement, Printing & Distribution, other Miscellaneous expense and out of pocket expenses etc.	40.00	20.58%

The listing fees in relation to the Offer shall be borne by the Company and all other expenses shall be borne by the Selling Shareholder. Payments, if any, made by our Company in relation to the offer shall be on behalf of the Selling Shareholder and such payments will be reimbursed by the Selling Shareholder to our company.

#### Monitoring Utilization of Funds

Since the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.



## BASIC TERMS OF THE OFFER

### Authority for the Offer

The present Offer of 8,10,000 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors dated May 09, 2018 and by special resolution passed under Section 28 of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on May 10, 2018.

### Approval from Selling Shareholder

The selling shareholder has consented to participate in the offer in the following manner:

The Board of Directors of Hotel Miramar Comfort Private Limited have, by a resolution passed at its meeting held on May 07, 2018 authorized to participate in the Offer for Sale by offering 8,10,000 Equity Shares.

The Offer of Equity Shares of Mac Hotels Limited has been authorized by a special resolution adopted pursuant to Section 28 of the Companies Act, 2013 at the Extra Ordinary General Meeting of shareholders of Hotel Miramar Comfort Private Limited held on May 08, 2018.

Hotel Miramar Comfort Private Limited has consented to participate in the Offer for Sale by offering 8,10,000 Equity Shares vide authorization letter dated May 08, 2018.

### Ranking of Equity Shares

The Equity Shares being issued under the Offer are subject to the provisions of our Memorandum and Articles and rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividends. The Allottees in receipt of Allotment of Equity Shares under this Offer will be entitled to dividends or any other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please refer to the chapter titled “*Main Provisions of Articles of Association*” beginning on page 249 of this Prospectus.

### Terms of the Offer

The Equity Shares, now being issued, are subject to the terms and conditions of this Prospectus, Prospectus, Application form, Confirmation of Allocation Note (“CAN”), the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, Stock Exchange, RBI, RoC and/or other authorities as in force on the date of the Offer and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009, notifications and other regulations for the Offer of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

<b>Face Value</b>	Each Equity Share shall have the face value of ₹10.00 each.
<b>Offer Price</b>	Each Equity Share is being issued at a price of ₹ 24/- each and is 2.4 times of Face Value.
<b>Market Lot and Trading Lot</b>	The Market lot and Trading lot for the Equity Share is 6000 and the multiple of 6000; subject to a minimum allotment of 6000 Equity Shares to the successful bidders.
<b>Terms of Payment</b>	100% of the Offer price of ₹ 24/- each shall be payable on Application. For more details please refer to the chapter titled “ <i>Offer Procedure</i> ” beginning on page 207 of this Prospectus.

### Minimum Subscription

In accordance with Regulation 106P (1) of SEBI (ICDR) Regulations, this Offer is 100% underwritten. Also, in accordance with explanation to Regulation 106P (1) of SEBI (ICDR) Regulations the underwriting shall not be restricted up to the minimum subscription level.

If our Company does not receive the subscription of 100% of the Offer including devolvement on Underwriters within 60 (Sixty) days from the date of closure of the Offer, our Company shall forthwith unblock the entire



subscription amount received. If there is a delay beyond 8 (eight) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed in the Companies Act.

Further, in accordance with Regulation 106R of SEBI (ICDR) Regulations, no allotment shall be made pursuant to the Offer, if the number of prospective allottees is less than 50 (fifty). For further details, please refer to chapter titled "*Terms of the Offer*" beginning on page 200 of this Prospectus.





## BASIS FOR OFFER PRICE

*Investors should read the following summary with the chapter titled “Risk Factors”, the details about our Company under the chapter titled “Our Business” and its financial statements under the chapter titled “Financial Statements as Restated” beginning on pages 14,71 and 133 respectively of the Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.*

The Offer Price has been determined by the Company in consultation with the Lead Manager on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹ 10/- each and the Offer Price is ₹ 24/- which is 2.4 times of the face value.

### QUALITATIVE FACTORS

- Well Experienced Management
- Quality assurance
- Location advantage
- Food & Beverages Services

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to chapter titled “Our Business” beginning on page 71 of this Prospectus.

### QUANTITATIVE FACTORS

Information presented in this section is derived from our Company’s restated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2016	2.59	1
March 31, 2017	3.84	2
March 31, 2018	1.36	3
<b>Weighted Average</b>	<b>2.39</b>	

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

#### Price / Earnings Ratio (P/E) in relation to the Offer Price of ₹ 24/-

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2017-18	17.66
P/E ratio based on the Weighted Average Basic & Diluted EPS, as restated	10.04

#### Return on Net Worth

Period	RONW (%)	Weight
March 31, 2016	38.85	1
March 31, 2017	4.32	2
March 31, 2018	11.88	3
<b>Weighted Average</b>	<b>13.86</b>	

*Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.*

Minimum return on Post Offer Net Worth to maintain the Pre-Offer EPS for the year ended March 31, 2018 – 8.21%



### Net Asset Value (NAV) per Equity Share

Sl. No.	Particulars	(₹)
a)	As on March 31, 2017	10.07
b)	As on March 31, 2018	11.43
c)	After Offer	15.21
d)	Offer Price	24.00

*Note: NAV has been calculated as net worth divided by number of Equity Shares at the end of the year.*

### Peer Group Comparison of Accounting Ratios:

Particulars	CMP*	EPS (₹)	PE Ratio	RONW (%)	NAV (₹)	Face Value (₹)
Mac Hotels Limited <sup>(i)</sup>	24.00	1.36	17.65	11.88	11.43	10.00
<b>Peer Group <sup>(ii)</sup></b>						
Fomento Resorts & Hotels Limited	110.15	4.48	24.61	7.10	62.99	10.00
Ras Resorts and Apart Hotels Limited	39.50	0.80	49.36	1.54	52.14	10.00
Sinclair Hotels Limited	361.00	21.07	17.13	12.54	168.00	10.00

Source: [www.bseindia.com](http://www.bseindia.com)

Notes:

- (i) The figures of Mac Hotels Limited are based on restated financial statements.
- (ii) The figures for the peer group are based on standalone audited results for the year ended March 31, 2018.
- (iii) Current Market Price (CMP) is the closing prices of respective scripts as on September 05, 2018.

The face value of our share is ₹10/- per share and the Offer Price is of ₹ 24/- per share are 2.4 times of the face value.

The Company in consultation with the Lead Manager believes that the Offer Price of ₹ 24/- per share for the Public Offer is justified in view of the above parameters. Investor should read the above mentioned information along with the chapter titled “Risk Factors” beginning on page 14 of this Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “Financial Statements as Restated” beginning on page 133 of this Prospectus.



STATEMENT OF POSSIBLE TAX BENEFITS

To  
**The Board of Directors**  
**Mac Hotels Limited**  
First Floor, Beach Plaza (Annexee),  
Nomxin, Caranzalem, Ilhas,  
Panaji - 403001, Goa, India

Dear Sirs,

**Sub: Statement of possible special tax benefits (“the Statement”) available to Mac Hotels 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 Mac Hotels Limited, states the possible special tax benefits available to Mac Hotels Limited and the shareholders of the Company under the Income Tax Act, 1961 (‘Act’), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders do not cover any general tax benefits available to the Company Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company’s management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (“the Offer”) by the Company.

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

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

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 responsibility to update the view, consequence 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 N. K. Aswani & Co.**  
**Chartered Accountants**  
**Firm Registration No.100738W**

**N.K. Aswani**  
**Proprietor**  
**Membership No: 033278**  
**Date: September 03, 2018**  
**Place: Ahmedabad**



**ANNEXURE TO THE STATEMENT OF TAX BENEFITS**

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

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

**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 V: ABOUT THE COMPANY AND THE INDUSTRY

### 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 Offer 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 chapters titled “Risk Factors” and “Financial Statements as Restated” and related notes beginning on page 14 and 133 respectively of this Prospectus before deciding to invest in our Equity Shares.*

### OVERVIEW OF TOURISM AND HOSPITALITY INDUSTRY

The Indian tourism and hospitality industry have emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. India's Foreign Exchange Earnings (FEEs) increased by 17.6 per cent year-on-year in January 2018 over January 2017.

The tourism and hospitality sector are among the top 10 sectors in India to attract the highest Foreign Direct Investment (FDI). During the period April 2000-December 2017, the hotel and tourism sector attracted around US\$ 10.90 billion of FDI, according to the data released by Department of Industrial Policy and Promotion (DIPP).

India's travel and tourism industry has huge growth potential. The tourism industry is also looking forward to the expansion of E-visa scheme which is expected to double the tourist inflow to India. India's travel and tourism industry has the potential to expand by 2.5 per cent on the back of higher budgetary allocation and low-cost healthcare facility, according to a joint study conducted by ASSOCHAM and Yes Bank.

(Source: Tourism & Hospitality Industry in India, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

### GLOBAL ECONOMIC OVERVIEW

According to the International Monetary Fund (IMF), the global economy is experiencing a near-synchronous recovery, the most broad-based since 2010. In 2017, roughly three-quarters of countries experienced improvements in their growth rates, the highest share since 2010. The latest World Economic Outlook (WEO) of the IMF shows global GDP growth accelerated to around 3.6 percent in 2017 from 3.2 percent in 2016, and the forecast for 2018 has been upgraded by 0.2 percentage points to 3.9 percent. Although rebounding, global growth is still well below levels reached in the 2000s.

One reason why the recovery has spread around the globe is that world trade in goods and services has finally emerged from its torpor, registering 4.7 percent real volume growth in 2017 compared with 2.5 percent in 2016. Another reason is that commodity producers such as Russia, Brazil, and Saudi Arabia, which for the past few years been suffering from depressed prices, have benefitted from the upswing in demand. Commodity prices increased smartly in 2017, led by petroleum, whose price rose by 16 percent to reach \$61 per barrel by the end of the year.

Even as global growth and commodity prices have surged, inflation has remained remarkably quiescent, remaining below 2 percent in the main advanced regions. Consequently, monetary policies in the US, Eurozone and Japan have remained highly accommodative despite a strong recovery. These unusual settings—rapid growth, ultra-low interest rates—at a late stage in the economic cycle have produced the rarest of combinations: record-high high bond prices and stock market valuations, both at the same time. The consensus forecast calls for these conditions to be sustained in 2018, as companies respond to buoyant demand conditions by stepping up investment, some governments (such as the US) embark on expansionary fiscal policies, while advanced country monetary policies remain simulative and world trade continues to grow briskly.

What are the risks? Of course, there are the usual geo-political and geo-economic risks: war in the Korean peninsula; political upheaval in the Middle East; aggressive output cuts by Saudi Arabia (and Russia) in advance of the planned listing of the Saudi Arabian oil company, Aramco, which could force oil prices even higher; a final reckoning from China's unprecedented credit surge in the form of capital controls, slowdown in growth, and a sharply depreciating currency with consequences for the global economy (Economic Survey, 2016-17, Chapter



1); and trade tensions that could lead to skirmishes, and then spiral out of control. But perhaps the main risks lie on the macro-finance front in advanced economies. These stem from three, inter-related, sources:

- Asset valuations (price-equity ratios) tend to revert to their mean. And the faster and higher they climb, especially so late in the economic cycle, the greater the risk of sharp corrections.
- Simultaneously high valuations of both bonds and equities tend to be briefly lived because they suffer from an acute tension: if future earnings and economic growth are so bright, justifying high equity prices, interest rates cannot be forever so low.
- And if interest rates rise—or if markets even sense that central banks will need to shift their stance—both bond and equity prices could correct sharply. A plausible scenario would be the following. The IMF is now forecasting that advanced country output gaps will close in 2018 for the first time since the Global Financial Crisis. As this occurs, wages would start rising, eating into profits (which would prick equity valuations); and as inflation rises in tandem, policy makers would be forced into raising rates, deflating bond valuations and further undermining share prices.

What would happen to growth if asset prices correct? Surely, the impact would be far smaller than it was in 2007-09, because advanced countries are far less vulnerable than they were a decade ago. In particular, the leverage tied to these assets is much lower, which would minimize contagious propagation; while banks are much better buffered, with higher levels of capital and core deposits, and lower levels of risky assets.

Even so, there would be some consequences. For one, a large decline in wealth would force advanced country consumers to cut back on their spending, which in turn would lead firms to curtail their investments. And if this happens, monetary and fiscal policies would have much less room for expansionary manoeuvre since interest rates are already low while government debts are high. And the political implications of yet another decline in asset prices, the second in a decade, could also be significant, with effects that are difficult to imagine.

In sum, assessing future risks hinges on two calls: interest rate policy and asset valuations. On policy, extraordinarily low rates have, to paraphrase Paul Krugman, become “an obsession in search of a justification.” Initially justified by the dislocations caused by the Global Financial Crisis, then by large output gaps, they are now defended on the grounds that inflation remains weak, even as the slack in product and labour markets is disappearing rapidly. Will the gathering new evidence on closing output gaps and rising employment dispel that obsession?

On valuations, the prognosticator must navigate a narrow strait: steering clear of the “Cry of Wolf” trap (bond prices will finally, finally correct, having defied the prediction of correction in each of the last several years), without succumbing to the siren call of “This Time is Different” (stock valuations are sustainable this time because interest rates will remain at historic lows).

(Source: Economic Survey 2017-18 Volume 1 [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

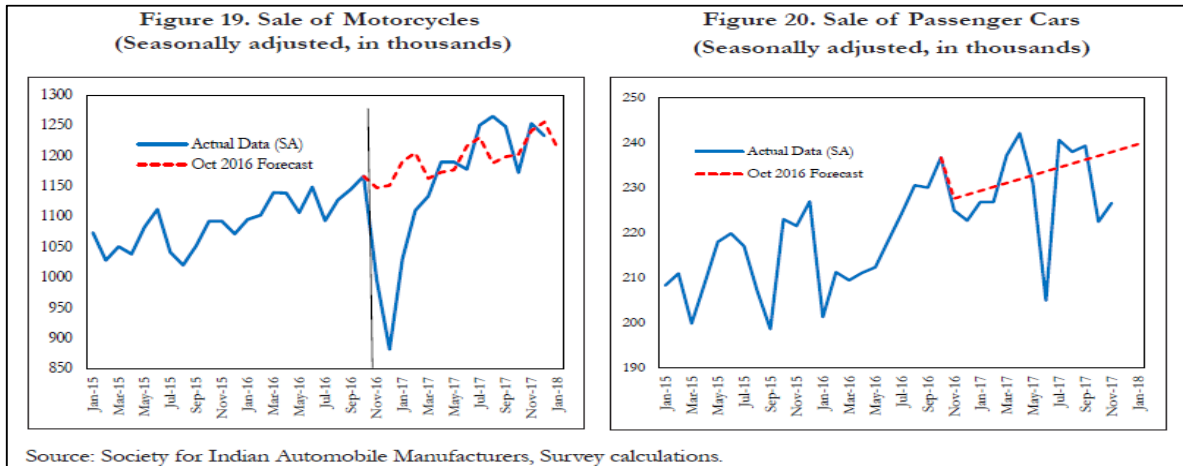
## **OVERVIEW OF INDIA’S ECONOMIC PERFORMANCE IN 2017-18**

### **Economic activity**

The key question going forward is whether the economy has troughed, and if so at what pace it will recover toward its medium-term trend. High frequency indicators do suggest that a robust recovery is taking hold as reflected in a variety of indicators, including overall GVA, manufacturing GVA, the IIP, gross capital formation (Figure 17) and exports.

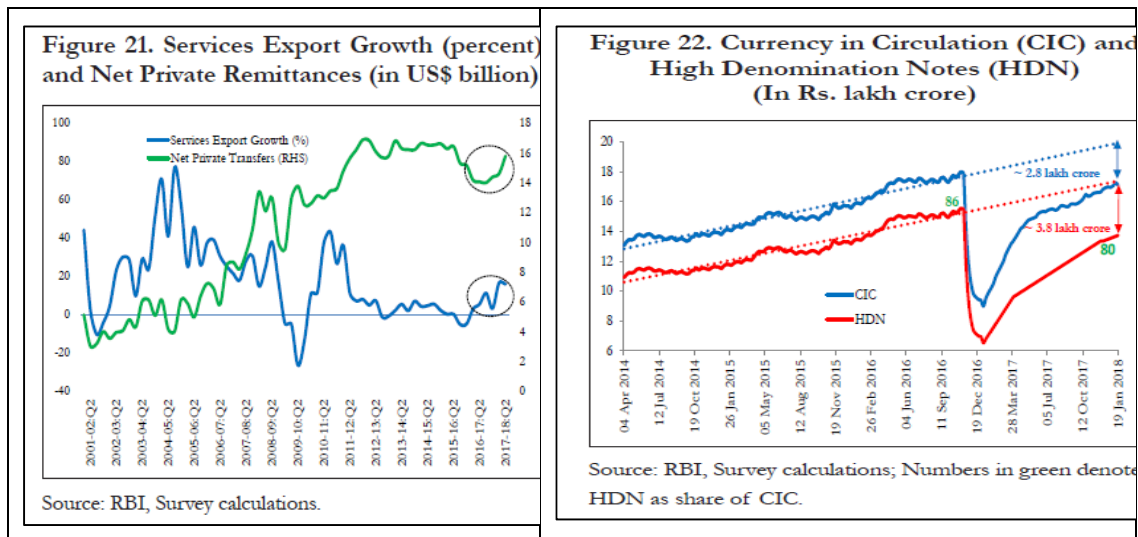
Similarly, real non-food credit growth has rebounded to 4 percent in November 2017 on a year-on-year basis, while the squeeze on real credit to industry is abating (Figure 18). Moreover, the flow of nonbank resources to the corporate sector, such as bond market borrowing and lending by NBFCs, has increased by 43 percent (April-December 2017 compared to the same period a year ago), substituting in part for weak bank credit. Rural demand, proxied by motor cycle sales, and auto sales, while not yet back to its pre-demonetization trend, are recovering (Figures 19 and 20).





Perhaps most significantly, the behaviour of manufacturing exports and imports in the second and third quarters of this fiscal year has started to reverse. The re-acceleration of export growth to 13.6 percent in the third quarter of FY2018 and deceleration of import growth to 13.1 percent, in line with global trends, suggest that the demonetization and GST effects are receding. Services export and private remittances are also rebounding (Figure 21).

On demonetization specifically, the cash-to-GDP ratio has stabilized, suggesting a return to equilibrium. The evidence is that since about June 2017 the trend in currency is identical to that pre-demonetization (Figure 22). The stabilization also permits estimation of the impact of demonetization: about Rs. 2.8 lakh Crores less cash (1.8 percent of GDP) and about Rs. 3.8 lakh Crores less high denomination notes (2.5 percent of GDP).



A final, important factor explaining the growth recovery is fiscal, which is providing a boost to aggregate demand. For reasons related to smoothening the transition, GST revenues will only be collected for 11 months, which is akin to a tax cut for consumers. Meanwhile, overall revenue expenditure growth by the central and state governments at remains strong at 11.7 percent (April to November). Cyclical conditions may also lead to lower tax and non-tax revenues, which act as an automatic stabilizer.

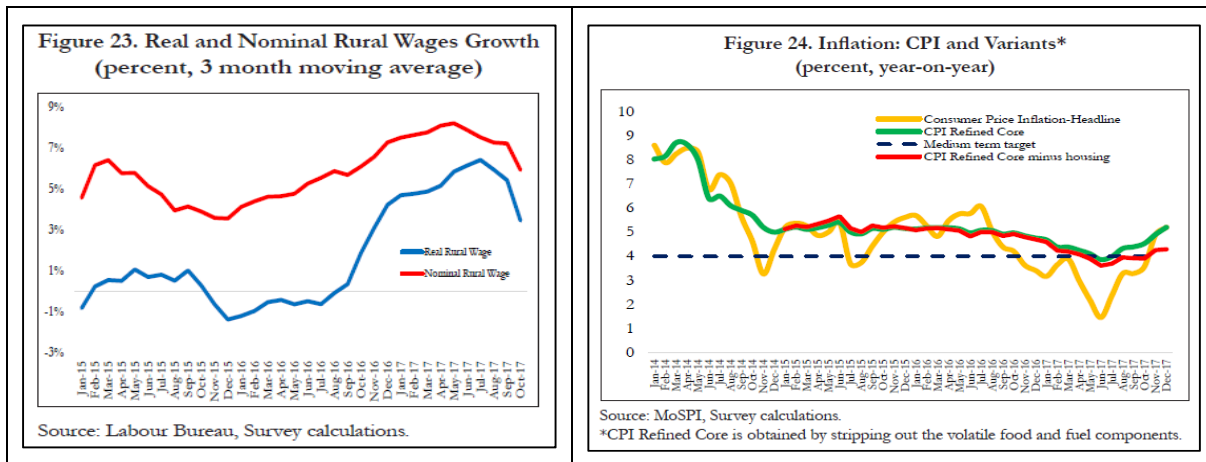
All this said, while the direction of the indicators is positive, their level remains below potential. IIP growth (April-November 2017 over same period in the previous year) is 3.2 percent, real credit growth to industry is still in negative territory, and the growth in world trade remains less than half its level of a decade ago. Moreover, even though the cost of equity has fallen to low levels, corporates have not raised commensurate amounts of capital, suggesting that their investment plans remain modest (Box 6). In other words, the twin engines that propelled the economy's take-off in the mid-2000s – exports and investment – are continuing to run below take-off speed.

Meanwhile, developments in the agriculture sector bear monitoring. The trend acceleration in rural wages (agriculture and non-agriculture), which had occurred through much of 2016 because of increased activity on the back of a strong monsoon, seems to have decelerated beginning just before the kharif season of 2017-18 (Figure



23) but it is still greater than much of the last three years. Three crop-specific developments are evident. Sowing has been lowered in both kharif and rabi, reducing the demand for labour. The acreage for kharif and rabi for 2017-18 is estimated to have declined by 6.1 percent and 0.5 percent, respectively. Pulses and oilseeds have seen an increase in sowing, but this has translated into unusually low farmgate prices (below their minimum support price, MSP), again affecting farm revenues. The so-called TOP perishables (tomatoes, onions, and potatoes) have meanwhile fluctuated between high and low prices, engendering income uncertainty for farmers.

The CSO has forecast real GDP growth for 2017-18 at 6.5 percent. However, this estimate has not fully factored in the latest developments in the third quarter, especially the greater-than-CSO-forecast exports and government contributions to demand. Accordingly, real GDP growth for 2017-18 as a whole is expected to be close to 6 3/4 percent. Given real GDP growth of 6 percent in the first half, this implies that growth in the second half would rebound to 7.5 percent, aided by favourable base effects, especially in the fourth quarter.



Average CPI inflation for the first nine months has averaged 3.2 percent and is projected to reach 3.7 percent for the year as a whole. This implies average CPI inflation in the last quarter of 5 percent, in line with the RBI's forecast. Therefore, the GDP deflator is expected to grow by 3.6 percent for 2017-18, somewhat higher than the CSO's forecast of 2.8 percent. Consequentially, nominal GDP growth is estimated at 10.5 percent, compared with the CSO's 9.5 percent estimate.

**Macroeconomic indicators**

After 13 months of continuously under-shooting the inflation target by an average of 130 basis points, headline inflation for the first time crossed the RBI's 4 percent target in November, posting a rate of 5.2 percent in December 2017 (Figure 24). The recent upswing in inflation stems from rising global oil prices (not all of which has been passed on to consumers), unseasonal increases in the prices of fruits and vegetables, and the 7th Pay Commission housing rent allowances, which mechanically increase inflation. Stripped of all these factors, underlying inflation has been increasing at a more modest pace, reaching 4.3 percent at end-December—in part because firms are passing the incidence of GST on to final consumers only gradually.

The current account deficit has also widened in 2017-18 and is expected to average about 1.5-2 percent of GDP for the year as a whole. The current account deficit can be split into a manufacturing trade deficit, an oil and gold deficit, a services deficit, and a remittances deficit (Figure 25). In the first half of 2017-18, the oil and gold balance has improved (smaller deficit of \$47 billion) but this has been offset by a higher trade deficit (\$18 billion) and a reduced services surplus (\$37 billion), the latter two reflecting a deterioration in the economy's competitiveness.

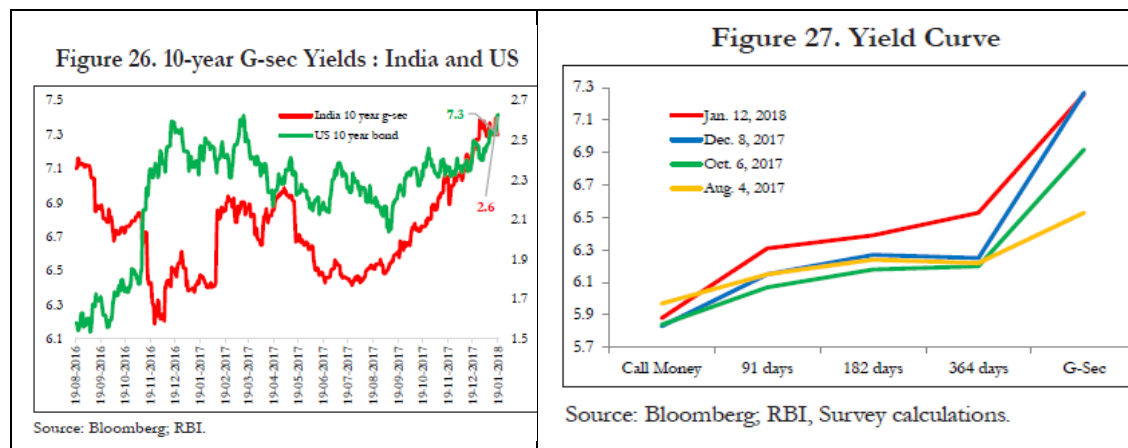
Despite these developments, the overall external position remains solid. The current account deficit is well below the 3 percent of GDP threshold beyond which vulnerability emerges. Meanwhile, foreign exchange reserves have reached a record level of about \$432 billion (spot and forward) at end-December 2017, well above prudent norms.

**Fiscal developments**

Bond yields have increased sharply (Figure 26) since August 2017, reflecting a variety of factors, including concerns that the fiscal deficit might be greater-than-budgeted, expectations of higher inflation, a rebound in activity that would narrow the output gap, and expectations of rate increases in the US. As a result, the yield curve has become unusually steep (Figure 27).

The fiscal deficit for the first eight months of 2017-18 reached 112 percent of the total for the year, far above the 89 percent norm (average of last 5 years), largely because of a shortfall in non-tax revenue, reflecting reduced dividends from government agencies and enterprises. Expenditure also progressed at a fast pace, reflecting the

advancing of the budget cycle by a month which gave considerable leeway to the spending agencies to plan in advance and start implementation early in the financial year. Partially offsetting these trends will be disinvestment receipts which are likely to exceed budget targets.



GST revenue collections are surprisingly robust given that these are early days of such a disruptive change (See Box 7). Government measures to curb black money and encourage tax formalization, including demonetization and the GST, have increased personal income tax collections substantially (excluding the securities transactions tax). From about 2 percent of GDP between 2013-14 and 2015-16, they are likely to rise to 2.3 percent of GDP in 2017-18, a historic high. Precise estimates of the government's contribution to this improvement vary depending on the methodology used. An econometric exercise yields an estimate of Rs. 40,000 Crores over the two fiscal years of 2016-17 and 2017-18.3 Another based on comparing the difference in actual tax buoyancy in 2016-17 and 2017-18 over the previous seven-years' average buoyancy, yields an estimate of about Rs. 65,000 Crores (both exclude the 25,000 Crores collected under the Income Disclosure Scheme and Pradhan Mantri Garib Kalyan Yojana). Thus, the sum of all government efforts increased income tax collections, thus far, between Rs. 65,000 and Rs. 90,000 Crores. These numbers imply a substantial increase in reported incomes (and hence in formalization) of about 1.5 percent to 2.3 percent of GDP.

As a result of the budget overruns, the central government's fiscal deficit until November 2017 was Rs. 6.1 lakh crore compared to the budgeted Rs. 5.5 lakh crore. In contrast, state governments seem to be hewing closely to their targeted fiscal consolidation – in part because the centre has guaranteed them a large increase in their indirect tax take, as part of the GST agreement.

Reflecting largely fiscal developments at the centre, a pause in general government fiscal consolidation relative to 2016-17 cannot be ruled out. In addition, the measured deficit for 2017-18 will include Rs. 80,000 crore (0.5 percent of GDP) in capital provided to public sector banks. But this will not affect aggregate demand, as reflected in international accounting practice which deems such operations as financing (“below-the-line”) rather than expenditure.

In the case of borrowing by the states, markets have perhaps inadequately taken into account the fact that higher market borrowings by them does not reflect higher deficits; rather about Rs. 50,000 crore or 0.3 percent of GDP of market borrowings is due to changes in the composition of financing, away from higher cost NSSF borrowings toward lower cost market borrowings. This lack of strict correspondence between the deficit and borrowings at the central and state levels (Figure 28) is discussed in greater detail in Box 8. For general government, about Rs. 40,000 Crores represents greater market borrowings that is not due to deficits—a fact which markets apparently have not internalized.

Another factor contributing to the rise in bond yields has been stepped-up Open Market Operations (OMO) by the RBI. This amounted to a net sale of about Rs. 90,000 Crores during April-December 2017-18 (compared to a net redemption of Rs. 1.1 lakh Crores during the same period in 2016-17) to sterilize the impact of foreign flows, themselves induced by high interest rates.

(Source: Economic Survey 2017-18 Volume 1 [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## OUTLOOK FOR 2018-19

The outlook for 2018-19 will be determined by economic policy in the run-up to the next national election. If macro-economic stability is kept under control, the ongoing reforms are stabilized, and the world economy remains buoyant as today, growth could start recovering towards its medium term economic potential of at least 8 percent.



Consider the components of demand that will influence the growth outlook. The acceleration of global growth should in principle provide a solid boost to export demand. Certainly, it has done so in the past, particularly in the mid-2000s when the booming global economy allowed India to increase its exports by more than 26 percent per annum. This time, the export response to world growth has been in line with the long-term average, but below the response in the mid-2000s. Perhaps it is only a matter of time until exports start to grow at a healthy rate. Remittances are already perking up and may revive further due to higher oil prices.

Private investment seems poised to rebound, as many of the factors exerting a drag on growth over the past year finally ease off. Translating this potential into an actual investment rebound will depend on the resolution and recapitalization process. If this process moves ahead expeditiously, stressed firms will be put in the hands of stronger ownership, allowing them to resume spending. But if resolution is delayed, so too will the return of the private capex cycle. And if this occurs public investment will not be able to step into the breach, since it will be constrained by the need to maintain a modicum of fiscal consolidation to head off market anxieties.

Consumption demand, meanwhile, will encounter different tugs. On the positive side, it will be helped by the likely reduction in real interest rates in 2018-19 compared to the 2017-18 average. At the same time, average oil prices are forecast by the IMF to be about 12 percent higher in 2018-19, which will crimp real incomes and spending—assuming the increase is passed on into higher prices, rather than absorbed by the budget through excise tax reductions or by the oil marketing companies. And if higher oil prices require tighter monetary policy to meet the inflation target, real interest rates could exert a drag on consumption.

Putting all these factors together, a pick-up in growth to between 7 and 7.5 percent in 2018-19 can be forecasted, re-instating India as the world's fastest growing major economy. This forecast is subject to upside potential and downside risks. The biggest source of upside potential will be exports. If the relationship between India's exports and world growth returns to that in the boom phase, and if world growth in 2018 is as projected by the IMF, then that could add another ½ percentage point to growth.

Another key determinant of growth will be the implementation of the IBC process. Here timeliness in resolution and acceptance of the IBC solutions must be a priority to kick-start private investment. The greater the delays in the early cases, the greater the risk that uncertainty will soon shroud the entire IBC process. It is also possible that expeditious resolution may require the government to provide more resources to PSBs, especially if the haircuts required are greater than previously expected, the ongoing process of asset quality recognition uncovers more stressed assets, and if new accounting standards are implemented.

Persistently high oil prices (at current levels) remain a key risk. They would affect inflation, the current account, the fiscal position and growth, and force macroeconomic policies to be tighter than otherwise. One eventuality to guard against is a classic emerging market “sudden stall” induced by sharp corrections to elevated stock prices. (Box 9 suggests that India's stock price surge is different from that in other countries but does not warrant sanguine-ness about its sustainability.) Savers, already smarting from reduced opportunities in the wake of demonetization, from depressed gold prices, and from lower nominal interest rates, would feel aggrieved, leading to calls for action. Stock price corrections could also trigger capital outflows, especially if monetary policy unwinds less hesitantly in advanced countries and if oil prices remain high. Policy might then have to respond with higher interest rates, which could choke off the nascent recovery. The classic emerging market dilemma of reconciling the trade-off between macro-stability and growth could then play itself out.

A key policy question will be the fiscal path for the coming year. Given the imperative of establishing credibility after this year, given the improved outlook for growth (and hence narrowing of the output gap), and given the resurgence of price pressures, fiscal policy should ideally have targeted a reasonable fiscal consolidation. However, setting overly ambitious targets for consolidation—especially in a pre-election year—based on optimistic forecasts that carry a high risk of not being realized will not garner credibility either. Pragmatically steering between these extremes would suggest the following: a modest consolidation that credibly signals a return to the path of gradual but steady fiscal deficit reductions.

Against this overall economic and political background, economic management will be challenging in the coming year. If the obvious pitfalls (such as fiscal expansion) are avoided and the looming risks are averted that would be no mean achievement.

(Source: Economic Survey 2017-18 Volume I [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## **SERVICE SECTOR IN INDIA**

### **Introduction**

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



communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction.

### **Market Size**

The services sector is the key driver of India's economic growth. The sector is estimated to contribute around 54.0 per cent of India's Gross Value Added in 2017-18 and employed 28.6 per cent of the total population. India's net services exports during reached US\$ 57.60 billion April-December 2017. Nikkei India Services Purchasing Managers Index grew from 47.80 in February 2018 to 50.30 in March 2018, supported by growth in the growth in Information & Communications and Finance & Insurance.

As per Ministry of Statistics and Programme Implementation's second advance estimates of National Income 2017-18, services sector GVA is expected to grow to US\$ 1,266.10 million in FY18. According to a report called 'The India Opportunity' by leading research firm Market Research Store, the Indian mobile services market is expected to reach \$37 billion in 2017 and grow by 10.3 per cent year-on-year to reach US\$ 103.9 billion by 2020. Out of overall services sector, the sub-sector comprising financial services, real estate and professional services contributed US\$ 305.8 billion or 20.5 per cent to the GDP. The sub-sector of community, social and personal services contributed US\$ 188.2 billion or 12.6 per cent to the GDP.

### **Investments**

The Indian services sector which includes financial, banking, insurance, non-financial/business, outsourcing, research and development, courier and technical test analysis, has attracted FDI equity inflows in the period April 2000-December 2017, amounting to about US\$ 64.10 billion according to the Department of Industrial Policy and Promotion (DIPP). Some of the developments and major investments by companies in the services sector in the recent past are as follows:

- Private Equity (PE) investments in the hospitality industry rose nearly three-fold to US\$ 119 million in 2017 from US\$ 43.58 million in 2016. Hotel deals, including mergers and acquisitions, are expected to pick up further in 2018 as many premium hotel properties are up for sale.
- American fast food chain McDonalds is reopening 84 of its closed restaurants, increasing the total number of operational restaurants across north and east India to 169.
- National Skill Development Corporation has signed a tripartite Memorandum of Understanding (MoU) with Tourism and Hospitality Sector Skill Council (THSC) and Airbnb to impart hospitality skills training to hospitality micro-entrepreneurs in India.
- The domestic and foreign logistic companies are optimistic about prospects in the logistics sector in India and are actively making investments plans to improve earnings and streamline operations.

### **Government Initiatives**

The Government of India recognises the importance of promoting growth in services sectors and provides several incentives in wide variety of sectors such as health care, tourism, education, engineering, communications, transportation, information technology, banking, finance, management, among others. Prime Minister Narendra Modi has stated that India's priority will be to work towards trade facilitation agreement (TFA) for services, which is expected to help in the smooth movement of professionals. The Government of India has adopted a few initiatives in the recent past. Some of these are as follows:

- Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Central Government increased incentives provided under Services Exports from India Scheme (SEIS) by two per cent.
- Ministry of Communications, Government of India, has launched DARPAN - "Digital Advancement of Rural Post Office for A New India" which is aimed at improving the quality of services, adding value to services and achieving "financial inclusion" of un-banked rural population.
- Ministry of Civil Aviation, Government of India, launched 'DigiYatra', a digital platform for air travellers that aims to develop a digital ecosystem providing consistent service and a delightful experience at every touch point of the journey.
- The Ministry of Electronics and Information Technology has launched a services portal, which aims to provide seamless access to government services related to education, health, electricity, water and local services, justice and law, pensions and benefits, through a single window.

### **Road Ahead**

Services sector growth is governed by both domestic and global factors. The Indian facilities management market is expected to grow at 17 per cent CAGR between 2015 and 2020 and surpass the US\$19 billion mark supported by booming real estate, retail, and hospitality sectors. The performance of trade, hotels and restaurants, and transport, storage and communication sectors are expected to improve in FY17. The financing, insurance, real estate, and business services sectors are also expected to continue their good run in FY17.



## **Mac Hotels Limited**



The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run on account of availability of GST input credit, which will result in the reduction in prices of services.

Exchange Rate Used: INR 1 = US\$ 0.015 as on March 01, 2018

*References: Media Reports, Press Releases, DIPP publication, Press Information Bureau,*

*Note: # - according to a report by Google India and KPMG*

(Source: Service Sector in India, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

## **TOURISM AND HOSPITALITY INDUSTRY IN INDIA**

### **Introduction**

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. India's Foreign Exchange Earnings (FEEs) increased by 17.6 per cent year-on-year in January 2018 over January 2017.

### **Market Size**

India is the most digitally-advanced traveller nation in terms of digital tools being used for planning, booking and experiencing a journey@@, India's rising middle class and increasing disposable incomes has continued to support the growth of domestic and outbound tourism. Domestic Tourist Visits (DTVs) to the States/Union Territories (UTs) grew by 15.5 per cent y-o-y to 1.65 billion (provisional) during 2016 with the top 10 States/UTs contributing about 84.2 per cent to the total number of DTVs, as per Ministry of Tourism.

Foreign Tourist Arrivals (FTAs) in India increased 8.4 per cent year-on-year to 1.06 million and the number of FTAs on e-tourist visa increased 58.5 per cent to 2.40 lakh foreign tourist as per Ministry of Tourism, Government of India. India is expected to move up five spots to be ranked among the top five business travel market globally by 2030, as business travel spending in the country is expected to treble until 2030 from US\$ 30 billion in 2015. # International hotel chains will likely increase their expansion and investment plans in India and are expected to account for 50 per cent share in the Indian hospitality industry by 2022, from the current 44 per cent. \*

### **Investments**

The tourism and hospitality sector is among the top 10 sectors in India to attract the highest Foreign Direct Investment (FDI). During the period April 2000-December 2017, the hotel and tourism sector attracted around US\$ 10.90 billion of FDI, according to the data released by Department of Industrial Policy and Promotion (DIPP).

### **Government Initiatives**

The Indian government has realised the country's potential in the tourism industry and has taken several steps to make India a global tourism hub.

Some of the major initiatives planned by the Government of India to give a boost to the tourism and hospitality sector of India are as follows:

- The Government of India signed a loan agreement for US\$ 40 million with the World Bank for the Uttar Pradesh Pro-Poor Tourism Development Project aimed at developing tourism facilities in the state.
- Under Budget 2018-19, the government allotted Rs 1,250 crore (US\$193.08 million) for Integrated development of tourist circuits under Swadesh Darshan and Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD).

### **Road Ahead**

India's travel and tourism industry has huge growth potential. The tourism industry is also looking forward to the expansion of E-visa scheme which is expected to double the tourist inflow to India. India's travel and tourism industry has the potential to expand by 2.5 per cent on the back of higher budgetary allocation and low-cost healthcare facility, according to a joint study conducted by Assocham and Yes Bank.

Exchange Rate Used: INR 1 = US\$ 0.015 as of January 4, 2018.

*References: Media Reports, Ministry of Tourism, Press Releases, Department of Industrial Policy and Promotion (DIPP), Press Information Bureau (PIB), Union Budget 2017-18*

*Note -! - As per the report of National Skill Development Corporation on "Human Resource and Skill Requirements in the Travel, Tourism & Hospitality Sector (2013 -17, 2017 – 22)", @ - World Economic Forum*



(WEF) report, # - According to a report by KPMG and FCM Travel Solutions, # - According to data from Indian Credit Rating Agency (ICRA), @@ - according to a survey by Travelport

(Source: Tourism & Hospitality Industry in India, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

## **EVOLUTION OF THE INDIAN TOURISM AND HOSPITALITY SECTOR**

The National Tourism Policy was announced in 1982. The government formulated a comprehensive plan in 1988 to promote tourism. Various states in India declared tourism as an industry. The government stressed on private-public partnership in the sector. Government policies give a fillip to the hotel industry. A national policy on tourism was announced in 2002, focusing on developing a robust infrastructure. Online travel portals and low-cost carrier airlines gave a boost to domestic tourism.

The government has undertaken various marketing initiatives to attract tourists. The National Medical & Wellness Tourism Promotion Board formed in 2015. 12 Institutes of Hospitality Management sanctioned in north-east states in August 2016. E – Tourist visa launched and 1.697 million tourists arrived in India in 2017 through these visas. Travel and Tourism sector accounted for 9.3 per cent of employment opportunities in India.

(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

## **SEGMENTS OF TOURISM AND HOSPITALITY**

### **Accommodation and catering**

Accommodation could be hotels and motels, apartments, camps, guest houses, lodge, bed and breakfast establishments, house boats, resorts, cabins and hostels. In addition, tourists also require catering facilities, which includes include hotels, local restaurants, roadside joints, cafeterias and retail outlets serving food and beverages.

### **Transportation**

Comprises airline companies, cruise services, railways, car rentals and more. A tourist's choice of transport would depend on the travel budget, destination, time, purpose of the tour and convenience to the point of destination.

### **Attractions**

Another major component of the travel and tourism industry is 'attractions' such as theme parks and natural attractions including scenic locations, cultural and educational attractions, monuments, events and medical, social or professional causes.

### **Travel agents**

A fragmented sector with a number of independent travel agents and many online businesses. They also sell associated products such as insurance, car hire and currency exchange. Business travel agencies specialise in making travel and accommodation arrangements for business travellers and promoting conference trades.

### **Tour operators**

Offer customised tours, including travel, accommodation and sightseeing

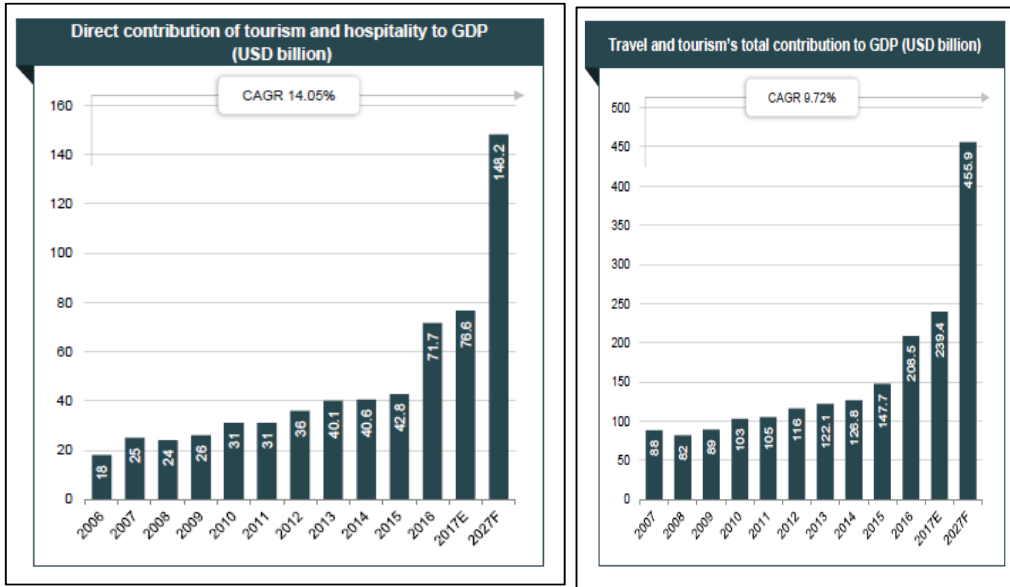
(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

## **RISING CONTRIBUTION TO INDIA'S GDP**

Tourism in India accounts for 9.6 per cent of the GDP & is the 3rd largest foreign exchange earner for the country. The tourism & hospitality sector's direct contribution to GDP in 2016, was US\$ 71.7 billion. This is expected to rise by 6.9 per cent to US\$ 76.6 billion in 2017. During 2006–17E, direct contribution of tourism & hospitality to GDP is estimated to have registered a CAGR of 14.05 per cent. The direct contribution of travel & tourism to GDP is expected to reach US\$ 148.2 billion by 2027.

The sector's total contribution to GDP stood at US\$ 208.9 billion (9.6 per cent of GDP) in 2016 and is forecast to rise by 6.7 per cent in 2017, and to rise by 6.7 per cent pa to Rs 28,491.8 billion (US\$ 424.5 billion), 10 per cent of GDP in 2027. In February 2018, the country earned foreign exchange of around US\$ 2.706 billion, from the tourism sector.



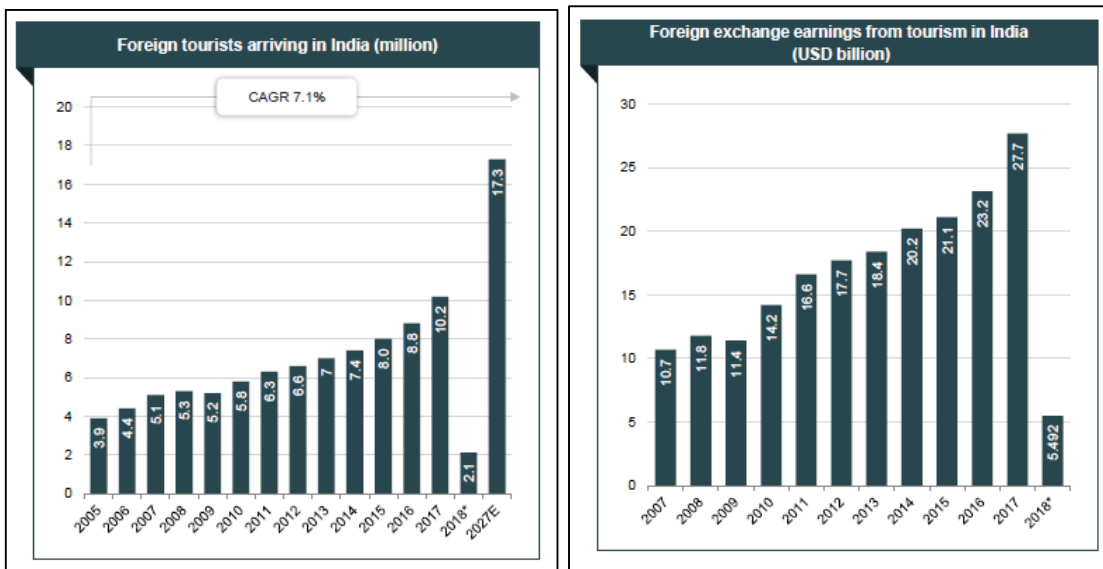


(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

**FOREIGN ARRIVALS ARE RISING**

In CY2017, foreign tourist arrival in India stood at 10.177 million and reached 2.12 million in CY 2018 (up to February). Foreign tourist arrivals into the country is forecast to increase at a CAGR of 7.1 per cent during 2005–25. India is expected to attract 17.3 million international tourist arrivals by 2027. Growth in tourist arrivals has been due to flexible government policies, developed rail & road infrastructure, ease in availability of e-visas to foreign tourists. The number of Foreign Tourist Arrivals (FTAs) in February 2018 were 1.05 million as compared to FTAs of 956,000 in February 2018 and 849,000 lakh in February 2016. The growth rate in FTAs in February 2018 over February 2017 was 10.1 per cent. The Government of India has set a target of 20 million foreign tourist arrivals (FTAs) by 2020 and double the foreign exchange earnings as well. The Government of India is working to achieve 1 per cent share in world's international tourist arrivals by 2020 and 2 per cent share by 2025.

During 2017, India has earned foreign exchange of US\$ 27.693 billion from tourism. Foreign exchange earnings from tourism in India witnessed growth at a CAGR of 10.4 per cent during 2006-17. In FY16, foreign exchange earnings from the tourism sector stood at US\$23.15 billion. Foreign exchange earnings (FEEs) in February 2018 were US\$ 2.706 billion as compared to US\$ 2.354 billion in February 2017 and US\$ 2.001 billion in February 2016. The year-on-year growth rate in FEEs in February 2018 over February 2017 was 15 per cent, compared to 17.6 per cent in February 2017 to January 2016.



(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))



## **DOMESTIC CONSUMERS TO LEAD GROWTH**

Domestic travel revenues are estimated at US\$ 183.48 billion in 2016 are anticipated to further increase to US\$ 203.3 billion by 2026. Revenues earned from foreign visitors are estimated at US\$ 25.02 billion in 2016 & are projected to further increase to US\$ 40.11 billion by 2026. Indian travellers booked 52 per cent more trips in the 3rd quarter of 2016 as compared to last year.

Out of total Indian travellers, in 2016, 17 per cent people were in the age bracket 18-24 years, compared to 12 per cent in the previous year, which was mainly due to the increasing usage of smartphones by the young travellers. India's state-of-the-art high-speed 15 coach train Tejas Express made its 1st run on 22nd May 2017, from Mumbai to North Goa. It covered a distance of 579 kms in 8.5 hours. The train has 2 classes - Executive Chair Car & Chair Car. It is equipped with facilities like automatic doors, secured gangways, Wi-Fi, LCD screens, magazines, tea-coffee vending machines, bio-toilets, etc. At the time of booking, the passengers will have a choice to opt for on-board catering services, which will not be compulsory like in Shatabdi

Share of revenues from leisure travel to the total tourism revenue stood around 94.6 per cent in 2016. Leisure travel spending reached Rs 12,079 billion (US\$ 179.7 billion) in 2016 and is expected to reach Rs 12,910 billion (US\$ 196.41) billion in 2017 and US\$ 386.3 billion by 2027. Business travel revenues were Rs 689 billion (US\$ 10.25 billion) in 2016 & are projected to increase to Rs 726.6 billion (US\$ 11.1) billion by 2017 and US\$ 23.3 billion by 2027

(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

## **GROWTH DRIVERS**

### **Infrastructure**

More than half of the Ministry of Tourism's Plan budget is channelized for funding the development of destinations, circuits, mega projects as well as rural tourism infrastructure projects

### **Rising FDI**

Hotel & Tourism sector has received cumulative FDI inflows of US\$ 10.90 billion from April 2000 to December 2017. International hotel brands are targeting India. e.g. Carlson group is aiming to increase the number of its hotels in India to 170 by 2020. Hospitality majors are entering into tie ups to penetrate deeper into the market, such as Taj & Shangri-La entered into a strategic alliance to improve their reach & market share by launching loyalty programme aimed at integrating rewarded customers of both hotels.

### **Growing Demand**

Domestic expenditure on tourism is expected to rise due to the growing income of households. A number of niche offerings such as medical tourism and eco tourism are expected to create more demand

### **Policy Support**

100 per cent FDI is allowed under the automatic route in tourism & hospitality, subject to applicable regulations & laws. The Government of India will develop 10 prominent sites in India into iconic tourist destinations, as per Union Budget 2018-19. Campaigns such as Incredible India & Athithi Devo Bhava were launched to harness the tourism industry's potential

(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))

## **ADVANTAGE INDIA**

### **Robust Demand**

100 per cent FDI is allowed under the automatic route in tourism & hospitality, subject to applicable regulations & laws. The Government of India will develop 10 prominent sites in India into iconic tourist destinations, as per Union Budget 2018-19. Campaigns such as Incredible India & Athithi Devo Bhava were launched to harness the tourism industry's potential

### **Diverse Attractions**

India offers geographical diversity, attractive beaches, 30 World Heritage Sites and 25 bio-geographic zones. The country's big coastline is dotted with a number of attractive beaches

### **Attractive Opportunities**

India has a diverse portfolio of niche tourism products – cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural & religious tourism. In January 2017, Federation of Indian Chambers of Commerce & Industry (FICCI) announced the launch of India Travel Tech Launchpad.



**Policy Support**

The Visa on Arrival scheme was extended to 150 countries in 2015. A 5-year tax holiday has been offered for 2,3 and 4-star category hotels located around UNESCO World Heritage sites (except Delhi & Mumbai). Under the Swadesh Darshan scheme, 13 thematic circuits in the country have been selected for development of tourism infrastructure.

(Source: Tourism & Hospitality April 2018, India Brand Equity Foundation [www.ibef.org](http://www.ibef.org))



## OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward looking statements that involve risks and uncertainties. You should read the chapter titled “Forward Looking Statements” beginning on page 13 of this Prospectus, for a discussion of the risks and uncertainties related to those statements and also the chapter “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.*

*Unless the context otherwise requires, in relation to business operations, in this section of this Prospectus, all references to “we”, “us”, “our” and “our Company” are Mac Hotels Limited and Group Entities as the case may be.*

### OVERVIEW

Our Company was originally incorporated as “Mac Hotels Private Limited” at Panaji, Goa as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 20, 1990 issued by Registrar of Companies, Goa. Subsequently, our Company was converted into Public Company and the name of our Company was changed to “Mac Hotels Limited” in the year August 10, 2017. The Corporate Identification Number of our Company is U55101GA1990PLC001100.

We are primarily engaged in the business of owning, operating and managing hotels, restaurants and resorts in Goa since last 25 years. Our Company has been incorporated with the main object to carry on the business of hotels, restaurant, café, caravan site, apartment house-keeper etc and related services. Our Hotels and Resorts are tourist destinations for domestic as well as international tourists and are one of the frequented hotels in Goa.

The registered office of our Company is located at First Floor, Beach Plaza (Annexee), Nomxin, Caranzalem, Ilhas, Panaji – 403 001, Goa, India. At present, we operate and manage one resort under the name “Resort Park Avenue” in Goa which is located at Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403 516.

Our Promoters i.e. Edwin E R Cotta and Edgar Maximiano Do Rosario Cotta are having experience of 25 years in the Hospitality Industry especially Hotels and Restaurants Segment. Our promoters have been instrumental in determining the vision and growth strategies for our Company. Our Corporate Promoter Hotel Miramar Comfort Private Limited is also engaged in Hospitality Business.

Our Company has entered into Management Services Agreement (OYO Agreement) with Alcott Town Planners Private Limited on September 09, 2017 for providing the services such as - Managing the day to day operations of the property, manage maintenance and supervision of the property, providing food and beverages services.

We value our customers and aim to exceed customer expectations by fulfilling valuable commitments. Our customer-oriented approach and cordial relations with them are the key strengths of our company. We continuously aspire for great heights which not only showcase our signature of success in the present but also leave a mark for future.

### OUR BUSINESS ACTIVITIES

#### RESORT PARK AVENUE

##### **Location**

Mac Hotels Limited operates Resort Park Avenue near Calangute Beach, Goa since year 2004. It is spread over an area of 3,225 Square metres. It consists of rooms, multi cuisine restaurant, coffee shop, swimming pool. The accommodation consists of 50 guest rooms ensuring comfort and luxury. This resort is centred around the swimming pool with balconies overlooking the pool. The rooms at this resort are comfortable and spacious appealing to family and couples. The resort has the restaurant and bar of its own. The bar provides refreshment. A great setting to return after exploring the colourful roadside markets.

##### **Facilities**

## **Mac Hotels Limited**



Small outdoor swimming pool, reception, with loungers and parasols, massage, safe deposits boxes, hair dressers, beauty salon, laundry service, vocational evening entertainment (seasonal only).

### **Food served at Hotels**

Our Restaurants offer a fun dining experience with our services focussing on providing our customers with social engagement, fun with quality food and services in modern ambiances. Our Company operates with the motto of serving quality services at competitive prices to our clients. Our Company strives to create an association with our clients by focusing on their requirements and fulfilling it satisfactorily.

### **Quality cuisines**

We provide a wide range of cuisines to meet the varied taste and preference of our clients. Our chefs are experienced, trained and their culinary skills ensure standards of food prepared in line with the client requirements.

### **Affordability and convenience**

We strive to offer value-for-money catering services to all our clients by customizing our services to their budget and specific requirements and yet not compromise on the quality.

### **Serving with friendly touch**

Our staff is well-trained, efficient and has been trained to maintain a friendly approach towards the end users of our services at the client place. We continuously strive to develop ways and strategies to maintain higher standard of customer satisfaction through our internal processes.

### **Hygienic environment**

We emphasize on cleanliness and good hygiene practices in all areas of our operations. Further, we seek to maintain and enhance the level of trust which our clients have in us through periodic checks and up-gradation of our inspection processes.

## **THE CHOCOLATE ROOM**

We have signed up with The Chocolate Room India, an Australian Chain of chocolate Cafe. We have opened two stores in Goa, in Calangute and Panjim respectively. The Chocolate Room - is one of the largest franchisees of Chocolate café chain in India. With having a USP of Hot Chocolates, there is more than Chocolate in our café menu like, Hot Chocolates, Choctails, Chocshakes, Chocizza, Chocolate Crepes, Chocolate Fondues, Italian Panini, Mexican Delicious Food; besides that, a selection of Belgian Bon Bons. The Chocolate Room leverages some powerful management tools to drive its operations.

## **END USERS**

End users of our hospitality services are customers who visit our Resort Park Avenue at Goa.

## **OUR COMPETITIVE STRENGTHS**

### **1. Experienced Management Team**

Our Promoters Edgar Maximiano Do Rosario Cotta and Edwin E R Cotta, look after overall management of the Company and have more than two decades of experience in the field of hospitality industry in which the Company is operating. Under their guidance and expertise, our business has grown over the years and we have become a known name in the hospitality industry in Goa. Further, our company is managed by qualified and experienced personnel. We believe that our management team's experience and their understanding of the industry will enable us to take advantage of future market opportunities thus expanding our business horizons.

### **2. Quality of Services**

We believe that quality of our services plays a key role in our success. Our Company believes in providing quality services to our clients and follows high quality standards of services.

### **3. Locational Advantage**



We are strategically located in Goa which is amongst the famous tourist places in India. Our Resort Park Avenue is very proximate to Calangute Beach and Baga Beach in Goa. Thus, we can attract more tourists and increase our customer base.

**4. Food and Beverages**

We offer a variety of cuisine, including ethnic Indian, Chinese, Italian and Mediterranean. Our restaurants not only cater to guests’ residents in our resort but also attract non-resident patrons. We believe that our restaurants have developed a strong brand image and customer loyalty due to quality of food served by us.

**SWOT ANALYSIS**

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Brand Image backed by Service</li> <li>• Prime location properties in Goa</li> <li>• Coverage of a large number of leisure destinations</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• High real estate cost is a big hindrance to growth</li> <li>• Changes in the Government Policies</li> </ul>
<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Trained and reliable manpower – cooks, waiters, helpers.</li> <li>• Maintaining, renovation and repositioning of properties to maintain market leadership</li> </ul>	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Expand business to the new locations</li> <li>• Explore niche tourism products – cruises, adventure, medical, wellness, sports, eco-tourism</li> </ul>

**OUR BUSINESS STRATEGY**

We envisage long term growth by providing qualitative services and building long term relations with customers. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business. We intend to focus on our existing range of services with specific emphasis on the following factors as business and growth strategy:

**1. Improving our functional efficiency**

Our Company intends to improve functional efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous improvement in customer service. We continue to invest in operational excellence throughout the organization. We ensure a strong quality commitment by our employees.

**2. Customer Satisfaction**

The Business of our Company is customer oriented and always strives to maintain good relationship with the customers. Our Company provides quality services which ensure that the customers are satisfied with the services and do not have any complain. We believe that with the growth in the economy and our business segment we shall be successful in our efforts to expand our client base.

**3. Brand Image**

We would continue to associate ourselves with good quality customers and execute projects to their utmost satisfaction. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

**4. Leveraging our market skills and relationship**

Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our market skills and relationships and further enhancing customer satisfaction.

**CAPACITY & CAPACITY UTILIZATION**



We are engaged in hospitality business and we do not have any manufacturing facility. Hence any specific data relating to capacity and capacity utilization does not exist.

#### **COLLABORATIONS/TIE UPS/ JOINT VENTURES**

As on date of this Prospectus, Our Company has not entered into any collaboration / tie ups / joint ventures.

#### **SALES AND MARKETING**

Our Promoter & Managing Director Edgar Maximiano Do Rosario Cotta and Chairman Whole Time Director Edwin E R Cotta are responsible for promoting the business of our Company. The efficiency of the marketing and sales network is critical success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our team through their experience and good rapport with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. We value our relationship with the customers. To retain our customers, our team, which comprises of people with vast experience regularly interacts with them and focuses on gaining an insight into the additional needs of customers. Our marketing team is ready to take up challenge so as to scale new heights.

#### **COMPETITION**

Hotel Industry being a large and global industry, we face competition from various domestic and international players. The Industry which we cater to is highly competitive, unorganized and fragmented with many small and medium-sized companies and entities and we compete with organized as well as unorganized sector on the basis of availability of range of services. Among listed Companies we face competition from Fomento Resorts & Hotels Limited, Ras Resorts and Apart Hotels Limited, HS India Limited and Sinclairs Hotels Limited. Further most of our competitors in the regional level are from the unorganized sector of the Hotel industry. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

#### **EXPORT AND EXPORT OBLIGATIONS**

As on date of this Prospectus, our Company does not have any Export Obligation.

#### **UTILITIES & INFRASTRUCTURE**

##### **Infrastructure Facilities**

Our registered office and Resort Park Avenue are well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

##### **Power**

Our Company meets its power requirements by purchasing electricity from Electricity Department, Government of Goa. Our Company also has stand by arrangement of D. G. Sets of 30 KVA to operate in absence of power facilities.

##### **Water**

Our water requirement is very high and we fulfil our water requirement through ground water.

#### **INSURANCE DETAILS**

The following are the details of the insurance policy obtained by our company:





Sr No.	Name of Insured	Name of the Insurer	Policy No.	Description	Property/Assets Insured	Validity Period	Sum Insured (₹)	Premium (₹)
1.	Mac Hotels Pvt Ltd	Bajaj Allianz General Insurance Company Ltd	OG-18-1703-1812-0000074	General Insurance-Commercial Vehicle	Swaraj Mazda Tourist Bus at Resort Park Avenue, Goa	September 28, 2017 to September 27, 2018	2,69,234	40,000.00
2.	Mac Hotels Pvt Ltd	The Oriental Insurance Company Limited	131800/11/2018/568	General Insurance-Standard Fire & Special Perils policy	Plant & Machinery at Resort Park Avenue, Goa	March 23, 2018 to March 22, 2019	4,50,000	965.00
3.	Mac Hotels Pvt Ltd	The Oriental Insurance Company Limited	131800/11/2018/1648	General Insurance-Burglary	30KVA/24 KW CANOPIED DIESEL GENERATING SET at Resort Park Avenue, Goa	March 23, 2018 to March 22, 2019	4,50,000	1,327.00
4.	Mac Hotels Pvt Ltd	The Oriental Insurance Company Limited	131800/11/2018/569	General Insurance-Standard Fire & Special Perils policy	Building - Resort Park Avenue, Goa	March 23, 2018 to March 22, 2019	9,00,000	1,719.00
5.	Mac Hotels Pvt Ltd	Reliance General Insurance Company Limited	170761821110182982	General Insurance-Standard Fire & Special Perils policy	Plant & Machinery and Furniture Fixtures at Resort Park Avenue, Goa	July 20, 2018 to July 19, 2019	16,50,000	2,084.00
6.	Mac Hotels Pvt Ltd	The Oriental Insurance Company Limited	131800/11/2018/305	General Insurance-Standard Fire & Special Perils policy	Building, Plant & Machinery and Furniture Fixtures at Resort Park Avenue, Goa	September 29, 2017 to September 28, 2018	1,00,00,000	9,900.00

## HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business. As on date of this Prospectus, we have 6 employees in the registered office in addition to our management. These employees look after administration, legal, marketing and accounting functions. Further, we have casual employees at the Resort Park Avenue. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work progress and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

## LAND AND PROPERTY

We have our properties located at following:

### Owned Properties:



Sr. no	Address of the Property	Area of the property	Usage
1	Basement, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	280 Sq. Mt.	Resort Park Avenue
2	MBS2, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	30 Sq. Mt.	Resort Park Avenue
3	MBGS12, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	38 Sq. Mt.	Resort Park Avenue
4	MBGS8, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	19 Sq. Mt.	Resort Park Avenue
5	B2G1, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	42 Sq. Mt.	Resort Park Avenue

**Leased Properties:**

Sr. no	Name of the Licensor	Name of the Licensee	Area of the property	Address of the Property	Period of Agreement	Usage
1	Bernardette Cotta	Mac Hotels Private Limited	42 Sq. Mt.	A1G2, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
2	Edwin E R Cotta	Mac Hotels Private Limited	42 Sq. Mt.	A1G3, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
3	Edgar Maximiano Do Rosario Cotta	Mac Hotels Private Limited	42 Sq. Mt.	A1G4, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
4	Edwin E R Cotta	Mac Hotels Private Limited	42 Sq. Mt.	A1S1, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
5	Edwin E R Cotta	Mac Hotels Private Limited	42 Sq. Mt.	A1S2, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
6	Edwin E R Cotta	Mac Hotels Private Limited	42 Sq. Mt.	A1S3, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
7	Edwin E R Cotta	Mac Hotels Private Limited	42 Sq. Mt.	A1S4, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
8	Mac Lesiure Venture	Mac Hotels Private Limited	42 Sq. Mt.	A2G1, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga	3 Years commencing from April 1,	Resort Park Avenue

Sr. no	Name of the Licensor	Name of the Licensee	Area of the property	Address of the Property	Period of Agreement	Usage
	Private Limited			Road, Calangute, Bardez, Goa – 403516	2017 to March 31, 2020	
9	Mac Lesiure Venture Private Limited	Mac Hotels Private Limited	42 Sq. Mt.	A2G2, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
10	Bernardette Cotta	Mac Hotels Private Limited	42 Sq. Mt.	A2G3, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
11	Bernardette Cotta	Mac Hotels Private Limited	42 Sq. Mt.	A2G4, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
12	Schubert Cotta	Mac Hotels Private Limited	42 Sq. Mt.	B2S2, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
13	Edwin E R Cotta	Mac Hotels Private Limited	42 Sq. Mt.	B2T1, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
14	Edwin E R Cotta	Mac Hotels Private Limited	42 Sq. Mt.	B2T2, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
15	Yuka Cotta	Mac Hotels Private Limited	42 Sq. Mt.	B2T3, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
16	Bernardette Cotta	Mac Hotels Private Limited	30 Sq. Mt.	MBS8, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
17	Edwin E R Cotta	Mac Hotels Private Limited	30 Sq. Mt.	MBT1, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
18	Edwin E R Cotta	Mac Hotels Private Limited	30 Sq. Mt.	MBT2, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
19	Edgar Maximiano Do Rosario Cotta	Mac Hotels Private Limited	30 Sq. Mt.	MBT3, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue

Sr. no	Name of the Licensor	Name of the Licensee	Area of the property	Address of the Property	Period of Agreement	Usage
20	Edgar Maximiano Do Rosario Cotta	Mac Hotels Private Limited	30 Sq. Mt.	MBT4, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
21	Mac Lesiure Venture Private Limited	Mac Hotels Private Limited	30 Sq. Mt.	MBT5, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
22	Mac Lesiure Venture Private Limited	Mac Hotels Private Limited	30 Sq. Mt.	MBT6, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
23	Mac Lesiure Venture Private Limited	Mac Hotels Private Limited	30 Sq. Mt.	MBT7, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
24	Mac Lesiure Venture Private Limited	Mac Hotels Private Limited	30 Sq. Mt.	MBT8, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
25	Alfredo Cotta	Mac Hotels Private Limited	30 Sq. Mt.	MBS5, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
26	Fatima Braganza	Mac Hotels Private Limited	42 Sq. Mt.	A1F4, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
27	Elsa De Sa	Mac Hotels Private Limited	42 Sq. Mt.	A2F1, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
28	Mitchele Attaide	Mac Hotels Private Limited	42 Sq. Mt.	A2F2, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
29	Onofre Mascarenhas	Mac Hotels Private Limited	42 Sq. Mt.	A2F3, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
30	Thereza (Nelson) Castellino	Mac Hotels Private Limited	30 Sq. Mt.	A2F4, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
31	Sujata Shivanand Kittur	Mac Hotels Private Limited	42 Sq. Mt.	A2S1, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga	3 Years commencing from April 1,	Resort Park Avenue






Sr. no	Name of the Licensor	Name of the Licensee	Area of the property	Address of the Property	Period of Agreement	Usage
				Road, Calangute, Bardez, Goa – 403516	2017 to March 31, 2020	
32	Lin Rajan	Mac Hotels Private Limited	42 Sq. Mt.	A2S2, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
33	Simon Fernandes	Mac Hotels Private Limited	42 Sq. Mt.	B1G2, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
34	Sylvia Fernandes	Mac Hotels Private Limited	40 Sq. Mt.	B1F3, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
35	Alfred Pereira	Mac Hotels Private Limited	42 Sq. Mt.	B2G2, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
36	Jessie Lawson	Mac Hotels Private Limited	40 Sq. Mt.	B2G3, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
37	Lancy Lord Lobo	Mac Hotels Private Limited	40 Sq. Mt.	B2G4, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
38	Kenneth Nazareth	Mac Hotels Private Limited	42 Sq. Mt.	B2F2, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
39	Maria Nazareth	Mac Hotels Private Limited	40 Sq. Mt.	B2F3, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
40	Olga Lobo	Mac Hotels Private Limited	42 Sq. Mt.	B2S3, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
41	Kenneth Nazareth	Mac Hotels Private Limited	42 Sq. Mt.	B2S4, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
42	Louis Nazareth	Mac Hotels Private Limited	42 Sq. Mt.	B2T4, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue

Sr. no	Name of the Licensor	Name of the Licensee	Area of the property	Address of the Property	Period of Agreement	Usage
43	Louis Jose Dennis	Mac Hotels Private Limited	33 Sq. Mt.	MBF5, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
44	Mario Monteiro	Mac Hotels Private Limited	30 Sq. Mt.	MBF7, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
45	Michael Monteiro	Mac Hotels Private Limited	30 Sq. Mt.	MBF8, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
46	Maria Fernandes	Mac Hotels Private Limited	33 Sq. Mt.	MBS1, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
47	Clifford John Borges	Mac Hotels Private Limited	30 Sq. Mt.	MBS3, Resort Park Avenue, Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516	3 Years commencing from April 1, 2017 to March 31, 2020	Resort Park Avenue
48	Maria Cotta	Mac Hotels Private Limited	12 Sq. Mt.	Mac Corporate House, First Floor, Near Kamat Kinara, Nomoxin, Caranzalem, Miramar, Panaji, Goa – 403002, India	6 Years commencing from June 1, 2017 to May 31, 2023	Registered Office

## INTELLECTUAL PROPERTY

### TRADEMARK

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.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Validity/ Renewal	Registration status
1.		Device	43	Mac Hotels Limited	3638913	September 19, 2017	NA	Objected
2.		Device	43	Mac Hotels Limited	3638914	September 19, 2017	September 19, 2027	Registered
3.		Device	43	Mac Hotels Limited	3638915	September 19, 2017	September 19, 2027	Registered





## KEY REGULATIONS AND POLICIES

*In carrying on our business as described in the section titled “Our Business” on page 71 of this Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see chapter titled “Government and Other Approvals” beginning on page 183 of this Prospectus.*

### **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

#### **The Micro, Small and Medium Enterprises Development Act, 2006**

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise”, where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

#### **The Electricity Act 2003**

The Electricity Act repealed all the earlier enactments pertaining to the power sector and provides for the requirement of licenses or permission for the activity of generation of power. The Electricity Act mandates that all regulatory commissions should procure certain percentage of power generation from renewable energy sources by all distribution companies. The Electricity Act, inter alia, provides for regulatory interventions for promotion of renewable energy (RE) sources through a) determination of tariff; b) specifying renewable purchase obligation (RPO); c) facilitating grid connectivity and; d) promotion and development of market.

#### **Food and Safety Standard Act, 2006**

The Food Safety and Standards Act, 2006 (the “FSSA”) was enacted on August 23, 2006 with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (the “Food Authority”) for setting out scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The Food Authority is required to provide scientific advice and technical support to the Government of India and the state governments in framing the policy and rules relating to food safety and nutrition. The FSSA also sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by ‘Food Safety Appellate Tribunal’.

In exercise of powers under the FSSA, the Food Authority has framed the Food Safety and Standards Rules, 2011 (the “FSSR”) which were notified in the Gazette of India dated May 5, 2011 and have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure of ‘commissioner of food safety’, ‘the food safety officer’ and ‘the food analyst’ and procedures of taking extracts, seizure, sampling and analysis. The FSSA lays down penalties for various offences (including recall procedures).

The Food Authority has also framed the following food safety and standards regulations:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;





- Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011; and
- Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011.

## **INDUSTRIAL POLICY OF RELEVANT STATE**

### **Industrial Policy of Goa, 2003**

The mission of Industrial Policy is to ensure accelerated Industrial Development, catalyze Economic Growth, ensure balanced regional growth, protect environment and above all create sustainable employment to local youth of the State. It aims at ensuring a facilitative regime that explores and unleashes the energies of the private sector to create an environment in which industry, both existing and new can prosper. The major objectives are:

- Promote industries specifically identified as “Thrust Areas”
- Promote industries which would consume locally available raw materials, have consumption pattern within the State and neighbouring areas
- Develop Goa as the “Export/ Import Hub” and Encourage export-oriented Industries
- Develop self-employment opportunities for the local youth especially in rural and semi urban areas
- Promote and encourage the agro-based industries to give a boost to the rural economy
- Promote and encourage development of handicraft products to give boost to local artisans

Any many other objectives were set as a part of Goa Industrial Policy. The Policy provides for development of Goa Tourism Development Corporation. This Corporation was established to specifically promote tourism and related activities in the State of Goa. Goa is the first to accord industry status to the Tourism sector. Special emphasis is being laid to develop Eco-tourism, heritage tourism, adventure tourism, medical tourism and event tourism.

### **Tourism Policy of Government of India**

In order to develop tourism in India in a systematic manner, position it as a major engine of economic growth and harness its direct and multiplier effects for employment and poverty eradication in an environmentally sustainable manner, the National Tourism Policy was formulated in the year 2002 (the “**Tourism Policy**”). Broadly, the Tourism Policy attempts to: -

- Position tourism as a major engine of economic growth;
- Harness the direct and multiplier effects of tourism for employment generation, economic development and providing impetus to rural tourism;
- Focus on domestic tourism as a major driver of tourism growth.
- Position India as a global brand to take advantage of the burgeoning global travel trade and the vast untapped potential of India as a destination;
- Acknowledge the critical role of the private sector with the government working as a pro-active facilitator and catalyst;
- Create and develop integrated tourism circuits based on India’s unique civilization, heritage, and culture in partnership with the state governments, private sector and other agencies; and
- Ensure that the tourist to India gets physically invigorated, mentally rejuvenated, culturally enriched, spiritually elevated and “feels India from within”.

### **Classification of Hotels**

Hotels are an important component of the tourism product. They contribute to the overall tourism experience through the standards of facilities and services offered by them. With the aim of providing contemporary standards of facilities and services available in the hotels, the Ministry of Tourism has formulated a voluntary scheme for classification of operational hotels which will be applicable to the following categories: Star Category Hotels: 5 Star Deluxe, 5 Star, 4 Star, 3 Star, 2 Star & 1 Star Heritage Category Hotels: Heritage Grand, Heritage Classic & Heritage Basic.

### **Registration of Tourist Trade Act**

Every state in India has in general a Registration of Tourist Trade Act (the “Tourist Trade Act”). The Tourist Trade Act requires all hotels, travel agents, tour operators, tourist guides, tourist taxi operators and dealers of notified articles and other persons engaged in tourist activities in each particular state to register themselves under the Tourist Trade Act. Under the Tourist Trade Act of each state, some officers of the Tourism Department have



been vested with magisterial powers, including the power of compounding in case of cheating, overcharging, harassment, pestering, touting, etc. faced by tourists.

### **Prevention of Food Adulteration Act, 1954**

In order to sell foodstuffs in India, the Company is required to comply with the Prevention of Food Adulteration Act, 1954 (the "PFA"). The PFA is considered to be a consumer protection legislation, which has been designed to prevent, curb and check the adulteration of foodstuffs and to adequately punish the offenders. It covers various aspects of food processing such as food colour, preservatives, pesticide residues, packaging and labelling and regulation of sales. To give effect to the provisions of the PFA, the Prevention of Food Adulteration Rules, 1955 (the "PFA Rules") were promulgated. The enforcement of the PFA and the PFA Rules is entrusted to the Additional Director General of Health Services, Ministry of Health and Family Welfare, Government of India. Each State Government and Union Territory has created its own organization for implementation of the PFA and rules framed thereunder. The offence of adulteration under the PFA is a cognizable offence. The company may authorize any of its directors or managers (such manager being employed mainly in a managerial or supervisory capacity) to exercise all such powers and to take all such steps as maybe necessary and expedient to prevent the commission by the company of any offence under the PFA. If any offence is committed by the company under the PFA then the nominee shall be liable to be proceeded against and punished accordingly. The courts are empowered to impose penalties on the offenders for the contraventions of the provisions of the PFA. The procedure for the collection of samples, their analysis in the laboratory and timely report by the public analyst has been laid down in the PFA and the PFA Rules. The food inspectors appointed under the PFA are empowered to follow up cases of adulteration for which their powers and duties are prescribed. Provisions regarding search and seizure are also provided for in the PFA and the food inspector is empowered to break-open the package or door of any place. The liabilities of the manufacturers, dealers and retailers are also prescribed.

The Prevention of Food Adulteration Act, 1954 is expected to be replaced by the Food Safety and Standards Act (FSSA). The FSSA was enacted on August 23, 2006. However, the FSSA is yet to be notified in the Official Gazette. The FSSA incorporates the salient provisions of the Prevention of Food Adulteration Act 1954 and is based on international legislations, instrumentalities and Codex Alimentarius Commission. The objective of the FSSA is to consolidate the laws relating to food, establish the Food Safety and Standards Authority of India for laying down science-based standards for articles of food and regulate manufacture, storage, distribution, sale and import of food. The FSSA seeks to establish a single reference point for all matters relating to food safety and standards and ensure availability of safe and wholesome food for human consumption. The important provisions of the FSSA are:

- i. Establishment of the Food Safety and Standards Authority (FSA) to regulate the food sector.
- ii. FSA will be aided by several scientific panels and a central advisory committee to lay down standards for food safety. The standards will include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels.
- iii. Enforcement through State Commissioners of Food Safety and other local level officials.
- iv. Registration or licensing requirement for every entity in the food sector. Such licence or a registration would be issued by local authorities.
- v. Every distributor is required to be able to identify any food article by its manufacturer, and every seller by its distributor.
- vi. Any entity in the sector is bound to initiate recall procedures if it finds that the food sold has violated specified standards.

### **ANTI-TRUST LAWS**

#### **Competition Act, 2002**

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall Offer notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.



## **GENERAL CORPORATE COMPLIANCE**

### **The Companies Act 1956 and The Companies Act, 2013**

The consolidation and amendment in law relating to Companies Act, 1956 made way to enactment of Companies Act, 2013. The Companies act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One-Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of acts under which if a person is prosecuted he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors' payable by the companies is under Part II of the said schedule.

## **EMPLOYMENT AND LABOUR LAWS**

### **Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the CLRA applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

### **Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

### **Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from



time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

**The Employees' Pension Scheme, 1995**

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

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

It is an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. 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.

**Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year covered to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

**Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

**Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 ("MWA") came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

**Maternity Benefit Act, 1961**

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the



provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

#### **Equal Remuneration Act, 1979**

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

#### **Child Labour Prohibition and Regulation Act, 1986**

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

#### **The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

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

#### **Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979**

This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time. Also, a contractor employing inter-state migrant workmen has to obtain a license for the same from the licensing officer appointed for the purpose by the Central or the state Government. The license is valid only for a specified period and requires to be renewed at its expiry. The Act levies some duties on the principal employer and the contractor. The contractor is to provide for adequate wages, medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen.

#### **Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957**

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment

#### **TAX RELATED LEGISLATIONS**

##### **Value Added Tax (“VAT”)**





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

#### **The Goa Value Added Tax Act, 2005**

This Act provides for and consolidates the law relating to the levy of value added tax on sale of goods in the state of Goa. In this act, unless the context otherwise requires any occasional transaction in the nature of trade, commerce, manufacture, adventure or concern whether or not there is volume frequency, continuity or regularity of such transaction whether or not trade, commerce, or transaction is affected with a motive to make gain or profit accrues from such trade, commerce, manufactures, adventure, concern or transaction. The sale of any property which is under construction is liable to value added tax (VAT). The builders are expected to extract this VAT in addition to service tax. The amount of this VAT could be included in this agreement. Every dealer whose turnover of all sales made during –

- i) the year ending on the 31st day of March of the year preceding the year in which this Act is enforced; or
- ii) the year commencing on the 1st day of April of the year during which this Act is enforced;

has exceeded or exceeds the relevant limit as specified shall until such liability ceases under sub-section (3), be liable to pay tax under this Act on his turnover of sales, made, on or after the appointed day. Provided that, a dealer to whom clause (i) above does not apply but clause (ii) applies and whose turnover of all sales first exceeds the relevant limit specified after the appointed day shall not be liable to pay tax in respect of sales which take place upto the time when his turnover of sales, as computed from the first day of the year during which this Act is enforced, does not exceed the relevant limit applicable to him under sub-section (4)

#### **Service Tax**

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5<sup>th</sup> / 6<sup>th</sup> of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25<sup>th</sup> of the month immediately following the half year to which the return relates.

#### **Central Sales Tax Act, 1956 (“CST”)**

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

#### **The Central Excise Act, 1944**

The Central Excise Act, 1944 (“Central Excise Act”) consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

#### **Goods and Service Tax (GST)**



Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition, a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products.

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall Offer the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

## **ENVIRONMENTAL LEGISLATIONS**

### **The Environment Protection Act, 1986 (“Environment Protection Act”)**

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

### **Air (Prevention and Control of Pollution) Act, 1981**

Air (Prevention and Control of Pollution) Act 1981 (“the Act”) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

### **Water (Prevention and Control of Pollution) Act, 1974**





The Water (Prevention and Control of Pollution) Act 1974 (“the Act”) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

#### **Hazardous Waste (Management and Handling) Rules, 1989**

The Hazardous Waste (Management and Handling) Rules, 1989, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

#### **The Public Liability Insurance Act, 1991**

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

#### **National Environmental Policy, 2006**

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

### **INTELLECTUAL PROPERTY LEGISLATIONS**

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

#### **Indian Patents Act, 1970**

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

#### **The Copyright Act, 1957**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.



### **Trade Marks Act, 1999**

The Trade Marks Act, 1999 (the “**Trade Marks Act**”) provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

### **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

### **OTHER LAWS**

#### **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

#### **Foreign Trade (Development and Regulation) Act, 1992**

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of all the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. Director General of Foreign Trade (herein after referred to as DGFT) is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

#### **Foreign Exchange Management Act, 1999**

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the



realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

### **FEMA Regulations**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Offer of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or Offer security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

### **THE FOREIGN DIRECT INVESTMENT**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), has issued consolidated FDI Policy Circular of 2017 ("FDI Policy 2017"), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP Offers an updated circular.

The Reserve Bank of India ("RBI") also Offers 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 Offer fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh Offer of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh Offer of shares would be subject to the reporting requirements, inter-alia with respect to consideration for Offer of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, 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.



## HISTORY AND CERTAIN OTHER CORPORATE MATTERS

*Certain forms and resolutions filed with Registrar of Companies (prior to 2006), bank statements of the Company are not traceable by our Company. With respect to changes in capital structure these include forms and resolutions for increase in authorised share capital, share capital allotment, annual returns, etc. Hence, this chapter is prepared based on the ROC search reports, data provided by management and to the best of information available.*

### Corporate Profile and Brief History

Our Company was originally incorporated as “Mac Hotels Private Limited” at Goa, as a Private Limited Company under the provision of Companies Act, 1956 vide Certificate of Incorporation dated December 20, 1990 bearing Corporate Identification Number U55101GA1990PLC001100 issued by the Registrar of Companies, Goa, Daman & Diu. Subsequently our Company was converted into a public limited Company pursuant to special resolution passed by the members in Extra-Ordinary General Meeting held on July 27, 2017 and the name of our Company was changed to Mac Hotels Limited vide a Fresh Certificate of Incorporation dated August 10, 2017, Issued by the Registrar of Companies, Rajasthan. The Corporate Identification number of our Company is U55101GA1990PLC001100.

Edgar Maximiano Do Rosario Cotta, Edwin E R Cotta and Alfred M Cotta were the initial subscribers to the Memorandum of Association of our Company.

For information on our Company’s profile, activities, market, products, etc., market of each segment, capacity built-up, exports and profits due to foreign operations together with country wise analysis, standing of our Company in comparison with prominent competitors, with reference to its products, management, managerial competence, technology, market, major suppliers and customers, environmental Offers, geographical segment, etc. wherever applicable, please refer to chapters titled “*Our Business*”, “*Financial Statements as Restated*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, “*Government and Other Approvals*” beginning on page 71, 133, 163 and 183 respectively of this Prospectus.

### Changes in our Registered Office

As on the date of this Prospectus, our Registered Office is Located at First Floor, Beach Plaza (ANNEXEE), Nomxin Caranzalem, Ilhas, Panaji - 403 001, Goa, India

The Details of changes in the address of our Registered Office are set forth below:

From	To	Effective Date	Reason
Mamai Kamat Building, 1st Floor, Opp. Secretariat, Panaji, Goa, 403001, India	at First Floor, Beach Plaza (ANNEXEE), Nomxin Caranzalem, Ilhas, Panaji - 403 001, Goa, India	April 21, 2006	Administrative Convenience

Our Board of Directors approved change in our registered office as the change was within the local limits of city, town or village.

### Major Events and Milestones

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Event
1990	Incorporation of our Company in the name and style of “Mac Hotels Private Limited”
2004	Set-up of Resort Park Avenue
2014	Franchisee Agreement with The Chocolate Room(India) Private Limited
2017	The Company was converted into a public limited Company and the name of our Company was changed to “Mac Hotels Limited”
2017	Management Service Agreement with Alcot Town Planners Private Limited (“OYO Rooms” Agreement)

### Main Objects of our Company



The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

1. To carry on the business of hotels, restaurants, café, road house motel, holiday camp, caravan site, apartment house keeper, tavern, licensed victuallers, wine, beer and spirit merchants, brewers, malsters, distillers, importers, purveyors, caterers, for public amusements generally, coach, cab carriage and motor car proprietors, importers and brokers of food, live and dead stock, and local and imported produce of all descriptions, hair-dressers, perfumes, chemists, proprietors of clubs, baths, dressing rooms, laundries, reading, writing and newspaper rooms, libraries, grounds and places of amusements, recreation, sport, entertainment and instruction of all kinds, tobacco, and finger merchants, agents for railways, shipping companies, airlines and carries, theatrical and cinema proprietors, entrepreneurs and general agents.
2. To buy, sell, import, or otherwise deal in food and food products, meat, groceries, fruits, confectionery, wine, spirit, beer and alcoholic beverages, lines.
3. To organize and conduct tours and travels and generally to act as travel agent and carry on, for the purpose of tourists, taxi trade.

#### **Amendments to the Memorandum of Association of Our Company since Incorporation**

The following changes have been made in the Memorandum of Association of our Company since inception

<b>Date of Shareholders' Resolution</b>	<b>Nature of Amendment</b>
March 15, 1999	Authorised share capital of our Company was increased from ₹ 5,00,000 consisting of 4,000 Equity Shares of ₹100.00 each and 1,000 4% Redeemable, Non-Cumulative Preference Shares of ₹100.00 each to ₹ 50,00,000 consisting of 49,000 Equity Shares of ₹ 100.00 each and 1,000 4% Redeemable, Non-Cumulative Preference Shares of ₹100.00 each.
January 01, 2017	Reclassified Authorised Capital of Company as Under: ₹ 50,00,000 consisting of 49,000 Equity Shares of ₹100.00 each and 1,000 4% Redeemable, Non-Cumulative Preference shares of ₹100.00 each to ₹ 50,00,000 consisting of 5,00,000 Equity Shares of ₹ 10.00 each
January 16, 2017	Authorised share capital of our Company was increased from ₹ 50,00,000 consisting of 5,00,000 Equity Shares of ₹10.00 each to ₹ 3,10,00,000 consisting of 31,00,000 Equity Shares of ₹10.00 each.
July 27, 2017	Alteration of existing Clause I (name clause) of the Memorandum of Association by converting into Public Company.

#### **Revaluation of Assets**

There has been no revaluation of our assets and we have not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves.

#### **Capital raising activities through equity or debt**

For details regarding our capital raising activities through equity and debt, please refer “*Capital Structure*” and “*Statement of Financial Indebtedness*” on pages 54 and 164 respectively of this Prospectus.

#### **Injunctions or restraining order against Our Company**

There are no injunctions or restraining orders against our Company.

#### **Guarantees provided by our Promoters**

Our Promoters has given guarantees to financial institutions in respect of credit facility availed by our company as of the date of this Prospectus.

#### **Changes in the Activities of Our Company during the last five years**

## **Mac Hotels Limited**



As on the date of Prospectus, there have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

### **Defaults or rescheduling of borrowings from financial institutions/banks and conversion of loans into equity**

No defaults have been called by any financial institution or bank in relation to borrowings from financial institutions or banks.

For details of our financing arrangements, please refer “*Statement of Financial Indebtedness*” on page 164 of this Prospectus. Further, none of our loans have been rescheduled or been converted into Equity Shares.

### **Lock outs and strikes**

There have been no lock outs or strikes at any of the units of our Company.

### **Time and cost over runs**

Our Company has not implemented any projects and has not, therefore, experienced any time or cost overrun in relation thereto.

### **Details regarding acquisition of business/undertakings, mergers, amalgamations and revaluation of assets**

Our Company has neither acquired any entity, business or undertakings nor undertaken any mergers, amalgamation or revaluation of assets.

### **Holding Company of our Company**

As of the date of this Prospectus, Hotel Miramar Comfort Private Limited is a holding Company.

### **Subsidiary of our Company**

As of the date of this Prospectus, our Company does not have any subsidiary Company.

### **Collaboration Agreements**

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

### **Shareholders’ Agreements**

As on the date of this Prospectus, our Company has not entered into any shareholders’ agreements.

### **Material Agreements**

Except as disclosed below, our Company has not entered into any agreements / arrangement except under normal course of business of the Company, as on the date of filing of this Prospectus.

1. Franchise Agreement with The Chocolate Room (India) Private Limited dated November 21, 2014 for the period of 5 years commencing from the date of agreement for one standalone franchise outlet at Resort Park Avenue.
2. Management Services Agreement with Alcott Town Planners Private Limited dated September 09, 2017, for the period of 4 years commencing from the date of the agreement for providing Services to Mac Hotels Limited (“OYO Rooms Agreement”).

### **Strategic and Financial Partners**

As of the date of this Prospectus, our Company does not have any strategic or financial partners.

### **Number of Shareholders**



*Mac Hotels Limited*



Our Company has 8(Eight) shareholders on date of this Prospectus.



## OUR MANAGEMENT

## Board of Directors

Our Articles of Association require us to have not less than three Directors and not more than 15 Directors, subject to the applicable provisions of the Companies Act, 2013. As of the date of this Prospectus, Our Company has 5 (Five) Directors on our Board.

Set forth below are details regarding our Board as on the date of this Prospectus:

<b>Name, Father's/Husband's Name, Designation, Occupation, Nationality, Term and DIN</b>	<b>Age (years)</b>	<b>Address</b>	<b>Other Directorships</b>
<b>Name:</b> Edgar Maximiano Do Rosario Cotta <b>Father's Name:</b> Eustaquio Cotta <b>Designation:</b> Managing Director <b>Occupation:</b> Salaried <b>Nationality:</b> Indian <b>Term:</b> Appointed for a period of 3 Years w.e.f September 01, 2017 <b>DIN:</b> 00124357	49	319/1 Greenland Co-Op Housing Society, F1 Behind Military Hospital, Campal Panaji – 403 001, Goa	<i>Indian public limited companies</i> Nil <i>Indian private limited companies</i> <ul style="list-style-type: none"> <li>Hotel Miramar Comfort Pvt Ltd</li> </ul>
<b>Name:</b> Edwin E R Cotta <b>Father's Name:</b> Eustaquio Cotta <b>Designation:</b> Chairman & Whole Time Director <b>Occupation:</b> Salaried <b>Nationality:</b> Indian <b>Term:</b> Appointed for a period of 3 Years w.e.f September 01, 2017 <b>DIN:</b> 02691199	49	Malwara Tiswadi, Agassaim, Panaji - 403 204, Goa	<i>Indian public limited companies</i> Nil <i>Indian private limited companies</i> <ul style="list-style-type: none"> <li>Hotel Miramar Comfort Pvt Ltd</li> </ul>
<b>Name:</b> Ingrid Cotta <b>Father's Name:</b> Amaro Rebello <b>Designation:</b> Non-Executive Director <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Liable to retire by rotation <b>DIN:</b> 00075917	63	Ocean Park, Plot No. A1, Vivienda De Braganza Dona Paula, Goa – 403 003	<i>Indian public limited companies</i> Nil <i>Indian private limited companies</i> <ul style="list-style-type: none"> <li>Comfort Regency Inn Private Limited</li> <li>Mac Leisure Ventures Private Limited</li> </ul>



Name, Father's/Husband's Name, Occupation, Nationality, Term and DIN	Age (years)	Address	Other Directorships
			<ul style="list-style-type: none"> <li>• Oriental Guild Private Limited</li> <li>• Mac Agricultural Holdings Private Limited</li> <li>• Mac Realtors Private Limited</li> </ul>
<b>Name:</b> Blaise Lawrence Costabir <b>Father's Name:</b> Jesus Alberto Basilio Mozart Costabir <b>Designation:</b> Independent Director <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Appointed as the Independent Director for a period of 5 Years w.e.f August 30, 2017 <b>DIN:</b> 00898174	54	C D Countryside Bunglow No RN D-27 Cluster 5, Rainbow Villas, Fatorda, Margao Goa – 403 602	<b>Indian public limited companies</b> Nil <b>Indian private limited companies</b> <ul style="list-style-type: none"> <li>• Blare Moulders Private Limited</li> <li>• Gmi Zarhak Moulders Private Limited</li> </ul>
<b>Name:</b> Ephrem Frederick Mendanha <b>Father's Name:</b> Frederick Isadore Mendanha <b>Designation:</b> Independent Director <b>Occupation:</b> Retired <b>Nationality:</b> Indian <b>Term:</b> Appointed as the Independent Director for a period of 5 Years w.e.f April 07, 2017 <b>DIN:</b> 07787277	66	75 / B2, Lake View Villas, Sodovim, Verna Goa – 403 722	<b>Indian public limited companies</b> Nil <b>Indian private limited companies</b> Nil

#### Brief Profile of our Directors

##### Edgar Maximiano Do Rosario Cotta

Mr. Edgar Maximiano Do Rosario Cotta, aged 49 Years, is the Promoter of our company. He has been associated with our company since incorporation. He was initially appointed as Director of Our Company on March 08, 2006. He was then designated as Managing Director of our Company w.e.f September 01, 2017 for a period of three years. He has completed his Masters in Arts from Karnatak University. He has an experience of around 25 years in Hotel Industry. He has been instrumental in formulating the business strategies of our Company. He looks after the sales and business development of our Company.



**Edwin E R Cotta**

Mr. Edwin E R Cotta, aged 49 Years, is the Promoter, Chairman & Whole Time Director of our Company. He has been the Director of our company since incorporation of our company. He has also completed his Masters in Arts from Karnatak University. He has an experience of around more than 12 years in the field of Hotel Management. He is responsible for designing and implementing the core concept of Hotel Management and creating the core systems to help bring the complete customers' satisfaction in all parameters of the industry.

**Ingrid Cotta**

Mrs. Ingrid Cotta, aged 63 Years, is the Non-Executive Director of our Company. She holds Master's degree of Arts from Bombay University. She looks after the House Keeping Services of Resort Park Avenue. She is responsible for planning, organizing and developing the overall operation of the housekeeping department in accordance with federal, state and local standards and guidelines along with assuring the highest degree of quality guest care maintenance at our Resort Park Avenue. She has an experience of around 20 years in Housekeeping.

**Blaise Lawrence Costabir**

Mr. Blaise Lawrence Costabir, aged 54 Years, has been appointed as Independent Director of our Company w.e.f August 30, 2017. He has completed Master in Business Administration from Asian Institute of Management, Manila. He has over 25 years of experience in the manufacturing industry. He has been profiled in many top-rated business magazines including Business India and Business Goa. In addition to his technical excellence, he has also developed operational efficiencies, excellent strategic and leadership skills.

**Ephrem Frederick Mendanha**

Mr. Ephrem Frederick Mendanha, aged 66 years, has been appointed as Independent Director of our Company w.e.f April 07, 2017. He is a Graduate in Science and a Post Graduate in Law from the University of Madras. He has worked as a Deputy General Manager with Union Bank of India for 33 years and has a varied experience in Banking and Administration fields. He is an experience in International Banking and Foreign Exchange. He has also served as Faculty and Head of the Forex Department in the Banks Apex Staff College at Bengaluru. He has also played a prominent role in the activities of Foreign Exchange Dealers Association of India.

**Confirmations**

- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director.
- There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of our Directors are on the RBI List of willful defaulters as on date of this Prospectus.
- None of our Director is or was a director of any listed Company during the last five years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
- None of our Director is or was a director of any listed Company which has been or was delisted from any stock exchange during the term of their directorship in such Company.
- None of the Promoter, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No proceedings / investigations have been initiated by SEBI against any company, the board of directors of which also comprise of any of the Directors of our Company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce such director to become, or to help such



director to qualify as a Director, or otherwise for services rendered by him / her or by the firm or company in which he / she is interested, in connection with the promotion or formation of our Company.

#### Relationship between our Directors

None of our other Directors are related to each other, except as follows:

Si No	Name of Director	Other Directors	Relationship
1.	Edgar Maximiano Do Rosario Cotta	Edwin E R Cotta	Brothers
2.	Edgar Maximiano Do Rosario Cotta	Ingrid Cotta	Brother in Law – Sister in Law
3.	Edwin E R Cotta	Ingrid Cotta	Brother in Law – Sister in Law

#### Remuneration/Compensation to our Directors

Set forth below is the remuneration paid by our Company to our Directors in Fiscal 2018.

(₹in lakhs)

Si No	Name of Director	Remuneration paid in financial year 2018
1.	Edgar Maximiano Do Rosario Cotta	7.00
2.	Edwin E R Cotta	2.10
	<b>Total</b>	<b>9.10</b>

#### Terms and conditions of employment of our Managing Director & Chairman and Whole Time Director

##### Edgar Maximiano Do Rosario Cotta

Edgar Maximiano Do Rosario Cotta, appointed as a Director of our Company on March 08, 2006 and designated as Managing Director of our Company *vide* shareholders' resolution dated September 05, 2017 for a period of three years commencing from September 01, 2017. The significant terms of his employment are as below:

<b>Salary</b>	Up to ₹ 12.00 Lakhs per annum
<b>Perquisites</b>	<p><b>Provident fund and superannuation:</b></p> <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.</p> <p><b>Other perquisites as provided below:</b></p> <p><i>I. Car with driver:</i> The Managing Director will be provided with a car and driver for use on Company's business. Use of car for private purpose will be billed by the Company.</p> <p><i>II. The Company shall reimburse actual entertainment and traveling expenses incurred by the Managing Director in connection with the Company's business.</i></p>
<b>Term</b>	Appointed as Managing Director for the period of three years w.e.f. September 01, 2017
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Managing Director will be entitled to the remuneration mentioned above by way of minimum remuneration.

##### Edwin E R Cotta

Edwin E R Cotta, was appointed as Director of our Company on December 20, 1990 and was appointed as the Chairman & Whole Time Director *vide* shareholders' resolution dated September 05, 2017 for a period of three years. The significant terms of his employment are as below:



<b>Remuneration</b>	Up to ₹ 12.00 Lakhs per annum
	<p><b>Provident fund and superannuation:</b></p> <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.</p>
<b>Term</b>	Appointed as Chairman & Whole Time Director for the period of three years w.e.f. September 01, 2017
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, he will be entitled to the remuneration mentioned above by way of minimum remuneration.

### Sitting Fees

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

### Borrowing Powers of our Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their meeting held on September 05, 2017, our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹ 100 crore in excess of its paid up capital and free reserves which may have not been set apart for any purpose.

### Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares. As on date of this Prospectus, our Directors hold the following number of Equity Shares of our Company:

Name of Directors	Number of Equity Shares Held (Pre-Offer)	Percentage of pre-Offer capital
Edgar Maximiano Do Rosario Cotta	70,000	2.33
Edwin E R Cotta	70,000	2.33
<b>Total</b>	<b>1,40,000</b>	<b>4.66</b>

### Interest of our Directors

#### *Interest as a Director of Our Company*

Our Managing Director, Chairman & Whole Time Director may be interested to the extent of remuneration paid to them, respectively for services rendered as the Directors of our Company and reimbursement of expenses payable to them. For details please refer "Terms and conditions of employment of our Managing Director & chairman and Whole Time Director" above. Further, all our Non-Executive and Independent Directors may be interested to the extent of fees payable to them and/or the commission payable to them for attending meetings of the Board of Directors or a committee thereof. The Independent Directors are paid sitting fees for attending the meetings of the Board and committees of the Board and may be regarded as interested to the extent of such sitting fees and reimbursement of other expenses payable to them as per their terms of appointment.

#### *Interest as Member*





Further, except as disclosed under “*Shareholding of Directors in our Company*”, our Directors are interested to the extent of Equity Shares held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as Promoters, Directors, Partners, Proprietors, Members or Trustees, pursuant to the Offer. As on date of this Prospectus, our Directors together hold 70,000 Equity Shares i.e. 4.66% of the pre-issue paid up Equity Share capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding and the dividend declared, if any, by our Company.

***Interest in promotion of Our Company***

Our Promoter Directors, Edgar Maximiano Do Rosario Cotta and Edwin E R Cotta may be interested to the extent our Company is promoted by them. For details, please refer “*Our Promoter and Promoter Group*” on page 122 of this Prospectus.

***Interest in property***

Except as stated/referred to in the heading titled “*Land and Properties*” under the chapter titled “*Our Business*” beginning on page 71 and chapter titled “*Related Party Transactions*” on page 131 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of two years preceding the date of Prospectus 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. Further our Directors do not have any interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled “*Land and Properties*” under the chapter titled “*Our Business*” beginning on page 71 of the Prospectus.

***Interest in the business of Our Company***

Further, save and except as stated otherwise in “*Statement of Related Parties’ Transactions*” in the chapter titled “*Financial Statements as Restated*” of this Prospectus, our Directors do not have any other interests in our business as on the date of this Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Offer or any such intermediaries registered with SEBI.

***Interest as a creditor of our Company***

As on the date of this Prospectus, our Company has given loans to the Directors of our Company. For further details, refer to chapter titled “*Statement of Financial Indebtedness*” and “*Related Party Transactions*” beginning on page 164 and 131 of this Prospectus.

***Interest as Key Managerial Personnel of our Company***

Edgar Maximiano Do Rosario Cotta, Promoter & Managing Director and Edwin E R Cotta, Promoter, Chairman and Whole Time Director of the 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 131 of this Prospectus.

**Payment of benefits**

Except to the extent of remuneration payable to the Executive Directors for services rendered to our Company and to the extent of other reimbursement of expenses payable to them as per their terms of appointment, our Company has not paid in the last two years preceding the date of this Prospectus, and does not intend to pay, any amount or benefits to our Directors.

**Appointment of relatives of Directors to any office or place of profit**

Except as disclosed in this Prospectus, none of the relatives of our Directors currently hold any office or place of profit in our Company.

**Bonus or Profit Sharing Plan for our Directors**

None of our Directors are a party to any bonus or profit sharing plan.

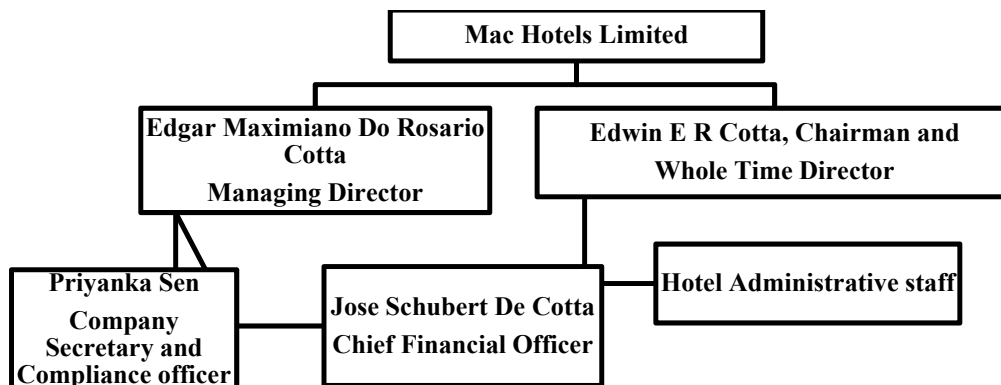
**Changes in our Board during the Last Three Years**

Except as disclosed below, there have been no changes in our Board during the last three years.



Name	Date of Event	Nature of Event	Reason
Ingrid Cotta	April 07, 2017	Appointment	Appointment as Non-Executive Director
Ephrem Frederick Mendanha	April 07, 2017	Appointment	Appointment of Independent Director
Blaise Costabir	August 30, 2017	Appointment	Appointment of Independent Director
Edgar Maximiano Do Rosario Cotta	September 01, 2017	Re- Designation	Designated as Managing Director
Edwin E R Cotta	September 01, 2017	Re Designation	Designated as Chairman and Whole Time Director

### Organisation Structure



### Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

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

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

As on the date of this Prospectus, there are six Directors on our Board out of which more than one third are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations, the Equity Listing Agreements and the Companies Act, 2013.

### Committees of our Board

**The following committees have been constituted in terms of SEBI Listing Regulations and the Companies Act, 2013**

- a. Audit Committee
- b. Stakeholders' Relationship Committee



c. Nomination and Remuneration Committee

**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 September 04, 2017.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course.

The committee presently comprises the following three (3) directors:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Ephrem Frederick Mendanha	Chairman	Independent Director
Blaise Lawrence Costabir	Member	Independent Director
Edgar Maximiano Do Rosario Cotta	Member	Managing Director

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.

**Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Role of Audit Committee**

The role of the Audit Committee shall include the following:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- 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;
- changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing, with the management, the statement of uses / application of funds raised through an Offer (public Offer, rights Offer, preferential Offer, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights Offer, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;



- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- carrying out any other function as is mentioned in the terms of reference of the audit committee.

Further, the Audit Committee shall mandatorily review the following information:

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

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than four months shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

***Stakeholders’ 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 September 04, 2017.

The Stakeholders’ Relationship Committee comprises:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Blaise Lawrence Costabir	Chairman	Independent Director
Ephrem Frederick Mendanha	Member	Independent Director
Edwin E R Cotta	Member	Whole Time Director

The Company Secretary of the Company shall act as the Secretary of the Stakeholders’ Relationship Committee.

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

***Tenure***



The Stakeholder’s Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder’s Relationship Committee as approved by the Board.

**Meetings**

The Stakeholder’s Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on quarterly basis regard the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

**Role of the Stakeholders’ Relationship Committee**

The Committee shall consider and resolve grievances of security holders, including but not limited to:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, Offer of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized
- Offer of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
- Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

**Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on September 04, 2017. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Blaise Lawrence Costabir	Chairman	Independent Director
Ephrem Frederick Mendanha	Member	Independent Director
Ingrid Cotta	Member	Non-Executive Director

The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

**Tenure**



The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

***Meetings***

The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven days' notice in advance.

***Role of the Nomination and Remuneration Committee not limited to but includes:***

- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for directors, KMPs and other employees.
- Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal
- Formulation of criteria for evaluation of performance of independent directors and Board of Directors
- Devising a policy on diversity of board of directors
- Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole time Director / Managing Directors.
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- To formulate and administer the Employee Stock Option Scheme



## OUR KEY MANAGERIAL PERSONNEL

Set forth below are the details of our Key Managerial Personnel in addition to our Managing Director and the Whole-time Director as on the date of this Prospectus. For details of our Managing Director and the Whole-time Director, please refer “*Our Management*” on page 108 of this Prospectus.

### Jose Schubert De Cotta

Jose Schubert De Cotta, aged 59 years is the Chief Financial Officer of our Company. He holds Bachelor’s degree in Commerce Bombay University. He has been appointed as Chief Financial Officer of our Company on September 05, 2017. His responsibilities in our Company include overseeing the corporate finance, accounts, taxation, statutory audit, liaison with bank, financial projections of our Company. He looks after the day today accounting system, tax and other liasioning work with various financial institutions, government authorities.

### Priyanka Sen

Priyanka Sen, aged 33 years, is the Whole Time Company Secretary of our Company. She is a qualified Company Secretary and a member of the Institute of Company Secretaries of India. She has an experience in the field of corporate compliance. She has been associated with our Company since September 20, 2017. She is currently responsible for the secretarial and legal compliances and matters related thereto of our Company.

### Status of Key Managerial Personnel

All our Key Managerial Personnel are permanent employees of our Company.

### Nature of family relationship

Except mentioned 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 Key Managerial Personnel	Name of Key Managerial Personnel	Relation
Edgar Maximiano Do Rosario Cotta	Edwin E R Cotta	Brothers
Edgar Maximiano Do Rosario Cotta	Jose Schubert De Cotta	Brothers
Edwin E R Cotta	Jose Schubert De Cotta	Brothers

### Shareholding of the Key Managerial Personnel

As on date of this Prospectus, except as stated below, our Key Managerial Personnel do not hold any number of Equity Shares of our Company.

Sl. No.	Name of the Shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)
1.	Edgar Maximiano Do Rosario Cotta	70,000	2.33
2.	Edwin E R Cotta	70,000	2.33
3.	Jose Schubert De Cotta	70,000	2.33
<b>Total</b>		<b>2,10,000</b>	<b>6.99</b>

### Bonus or Profit Sharing Plan for our Key Managerial Personnel

As on the date of this Prospectus our Company does not have any performance linked bonus or profit sharing plan with any of our 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 as on date of this Prospectus.

### Loans to Key Managerial Personnel





There are loan outstanding against Key Managerial Personnel as on date of this Prospectus. For further details please refer “*Statement of Related Parties Transactions*” in the chapter titled “*Financial Statements as Restated*” of this Prospectus.

**Interest of Key Managerial Personnel**

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon and other distributions in respect of such equity shares, if any. Except as disclosed in this Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

**Interest as Member**

Further, except as disclosed under “*Shareholding of Key Managerial Personnel*”, or KMP, our KMP, are interested to the extent of equity shares held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as Promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. Therefore, they are interested to the extent of their respective shareholding and the dividend declared, if any, by our Company.

**Interest in the business of Our Company**

Further, save and except as stated otherwise in “*Statement of Related Parties Transactions*” in the chapter titled “*Financial Statements as Restated*” of this Prospectus, our KMP do not have any other interests in our Company as on the date of this Prospectus. Our KMP are not interested in the appointment of Underwriters, Registrar and Bankers to the Offer or any such intermediaries registered with SEBI.

**Service contracts with Key Managerial Personnel**

Further, except in respect of statutory benefits upon termination of their employment in our Company or on retirement, no officer of our Company, including our Executive Director and the Key Management Personnel have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

**Interest in promotion of Our Company**

Our Promoter and KMP, Edgar Maximiano Do Rosario Cotta Edwin E R Cotta, may be interested to the extent our Company is promoted by him. For details, please refer “*Our Promoter and Promoter Group*” on page 122 of this Prospectus.

**Changes in Key Managerial Personnel in the Last Three Years**

For details of changes in our Managing Director and Whole Time Director during the last three years, see “*Our Management*” page 108 of this Prospectus.

Set forth below are the changes in our Key Managerial Personnel in the last three years immediately preceding the date of this Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Date of Change</b>	<b>Reason</b>
Priyanka Sen	Company Secretary	September 20, 2017	Appointment
Jose Schubert De Cotta	Chief Financial Officer	September 05, 2017	Appointment

**Employees Stock Option Scheme**

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Prospectus.

**Payment or Benefit to officers of Our Company**

Except as stated in this Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company’s officers except remuneration of services rendered as Directors, officers or employees of our Company.

***Mac Hotels Limited***



Except as stated in the chapter titled “*Financial Statements as Restated*” on page 133 of this Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, Our Key Managerial Personnel or our Promoter.

**Arrangements and Understanding with Major Shareholders**



None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer chapter titled “*History and Certain Other Corporate Matters*” on page 104 of this Prospectus.

## OUR PROMOTER AND PROMOTER GROUP

Our Company is promoted by Edgar Maximiano Do Rosario Cotta, Edwin E R Cotta and Hotel Miramar Comfort Pvt Ltd. As on the date of this Prospectus, our Promoters hold 27,88,000 Equity Shares representing 92.93% of the Issued and paid-up Equity Share capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, see "Capital Structure" on page 54 of this Prospectus.

### Brief Profile of our Individual Promoters

#### Mr. Edgar Maximiano Do Rosario Cotta

	<p><b>Edgar Maximiano Do Rosario Cotta, Promoter and Managing Director</b></p> <p>Edgar Maximiano Do Rosario Cotta, aged 49 years, is the Promoter and Managing Director of our Company. He is one of the subscribers of Memorandum of Association of our Company. He has been designated as Managing Director on September 01, 2017. He holds a Degree of Master of Arts from Karnatak University. He has approx. 25 years of experience in Hotel Industry. He has been instrumental in formulating the business strategies of our Company.</p> <p><b>Residential Address:</b> 319/1 Greenland Co-Op Housing Society, F1 Behind Military Hospital, Campal, Panaji – 403 001, Goa</p> <p><b>Passport No:</b> L3214304</p> <p><b>Driving License:</b> GA07R- 2008- 0113620</p> <p><b>Voters ID:</b> INX0266858</p> <p><b>PAN:</b> AEAPC2857D</p> <p><b>Name of Bank &amp; Bank Account No.:</b> 167801000116 and ICICI Bank</p> <p>For a complete profile of Mr. Edgar Maximiano Do Rosario Cotta i.e., his educational qualifications, experience, positions / posts held in the past and other directorships and special achievements, please refer "Our Management" on page 108 of this Prospectus.</p>
	<p><b>Edwin E R Cotta, Promoter, Chairman and Whole Time Director</b></p> <p>Edwin E R Cotta, aged 49 years, is the Promoter, Chairman and Whole Time Director of our Company. He has been the Director of the Company since incorporation and is also one of the subscribers of Memorandum of Association of our Company. He has been designated as Chairman and Whole Time Director on September 01, 2017. He has approx. three decades of experience in the field in which company operates. He is entrusted with the responsibility of looking after the overall management and operates the Company.</p> <p><b>Residential Address:</b> Malwara Tiswadi, Agassaim, Panaji - 403 204, Goa</p> <p><b>Passport No:</b> L3214308</p> <p><b>Driving License:</b> Not Available</p> <p><b>Voters ID:</b> SMV0293753</p> <p><b>PAN:</b> ACYPC5452E</p> <p><b>Name of Bank &amp; Bank Account No.:</b> 13520100010471 and Federal Bank</p>



	For a complete profile of Mr. Edwin E R Cotta i.e., his educational qualifications, experience, positions / posts held in the past and other directorships and special achievements, please refer “Our Management” on page 108 of this Prospectus.
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We confirm that the PAN, Passport and bank account number of our Individual Promoters will be submitted to the Stock Exchange where the Equity Shares are proposed to be listed at the time of filing this Prospectus.

### Our Corporate Promoter

#### Hotel Miramar Comfort Private Limited

Hotel Miramar Comfort Private Limited (HMCPL) was incorporated as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated on January 28, 1987 bearing registration No. 000704. The registered office of company is situated at Beach Plaza (Annexee), First Floor Nomoxin, Carazalem, Ilhas, Panaji – 403 002, Goa, India.

The Corporate Identification Number of the company is U55101GA1987PTC000704.

#### The Main Objects of HMCPL are:

To own, construct, run, render technical advice in operations of hotel, furnishing and running of take over manage, carry on the business of hotel, motel, resort, restaurant, cafe, tavern, bars, refreshment- room, board and lodging. house keepers, clubs, association in India or in any other part of the world.

#### Promoters of the HMCPL:

Sr. No	Name of Promoters	No of Shares Held	% of Shares Held
1	Edwin E R Cotta	1,00,000	25.00
2	Skoda Cotta	75,000	18.75
3	Alfredo M Cotta	75,000	18.75
4	Edgar Maximiano Do Rosario Cotta	75,000	18.75
	<b>Total</b>	<b>3,25,000</b>	<b>81.25%</b>

#### Latest shareholding pattern of HMCPL as on date of Prospectus:

Sr. No	Name of Shareholders	No of Shares Held	% of Shares Held
1	Edwin E R Cotta	1,00,000	25.00
2	Skoda Cotta	75,000	18.75
3	Alfred M Cotta	75,000	18.75
4	Edgar Maximiano Do Rosario Cotta	75,000	18.75
5	Jose Schubert De Cotta	75,000	18.75
	<b>Total</b>	<b>4,00,000</b>	<b>100.00 %</b>

#### Board of Directors:

As on the date of this Prospectus, the board of directors of HMCPL comprises:

1. Edgar Maximiano Do Rosario Cotta
2. Edwin E R Cotta

#### Financial Information:

Amount (₹ in lakhs)

Particulars	2017	2016	2015
Equity Capital	40.00	40.00	40.00
Reserve (Excluding Revaluation Reserve)	71.75	40.29	20.17
Sales	434.23	404.29	367.11
Profit after Tax	31.45	20.13	17.70
Earnings Per Share (Basic)	7.86	5.03	4.43
Earnings Per Share (Diluted)	7.86	5.03	4.43
Net Asset Value Per share (₹)	27.94	20.07	15.04

#### Interest of our Promoters

## **Mac Hotels Limited**



Our Promoters are interested in our Company to the extent of their respective Equity shareholding in our Company and to such extent any dividend distribution that may be made by our Company in the future. For details pertaining to our Promoters' shareholding, please refer "*Capital Structure*" on page 54 of this Prospectus.

Our Promoters are interested to the extent our Company was promoted by them. Our Promoters, are also interested to the extent of being Managing Director and Whole Time Director on our Board, as well as any remuneration and reimbursement of expenses payable to them. For more information, please refer "*Our Management*" on page 108 of this Prospectus.

Except as mentioned in the chapter titled "*Our Business*", our Promoters have no interest in any property acquired by our Company within two years from the date of this Prospectus or proposed to be acquired by it or in any transaction in acquisition of land, construction of building and supply of machinery etc.

Other than as disclosed in the chapter titled "*Financial Statements as Restated*" on page 133 of this Prospectus, there are no sales/purchases between our Company and our Promoters and Promoter Group, Group Companies and our associate companies when such sales or purchases exceeding in value in the aggregate 10% of the total sales or purchases of our Company or any business interest between our Company, our Promoters, our Promoter Group, Group Companies and the associate companies as on the date of the last financial statements.

Our Promoters are interested to the extent the Company has availed unsecured loans from them which is repayable on demand. For further details, please refer "*Financial Statements as Restated*" and "*Statement of Financial Indebtedness*" on pages 133 and 164, respectively of this Prospectus.

### **Change in the management and control of Our Company**

There has not been any change in the management or control of our Company in three years immediately preceding the date of this Prospectus.

### **Payment of Benefit to Promoters**

Except as stated above in "*Our Management*" and in "*Financial Statements as Restated*" and "*Capital Structure*" on pages 108, 133 and 54, there has been no payment of benefits to our Promoter, members of our Promoter Group and Group Entities, during the two years preceding the filing of this Prospectus.

### **Litigation involving our Promoters**

For details relating to legal proceedings involving the Promoters, please refer "*Outstanding Litigation and Material Developments*" on page 176 of this Prospectus.

### **Common Pursuits**

Except Hotel Miramar Comfort Private Limited, our Promoters and members of our Promoter Group do not have any common pursuits. For further details please refer to chapter titled "Risk Factors" on page 14 of this Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

### **Confirmations**

- Our Company, our Promoters and members of the promoter group are not Willful Defaulters and there are no violations of securities laws committed by our Promoter in the past and no proceedings for violation of securities laws are pending against them.
- Our Promoters are not interested as a member of a firm or Company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or Company in cash or otherwise by any person for services rendered by our Promoter or by such firm or Company in connection with the promotion or formation of our Company.
- Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.



- Our Promoters are not and has never been Promoters, directors or persons in control of any other Company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Except as disclosed in “*Outstanding Litigation and Material Developments*”, 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 Offer against our Promoters.
- Except as disclosed in “*Financial Statements as Restated*” on page 133 of this Prospectus, our Promoters are not related to any of the sundry debtors or are not beneficiary of Loans and Advances given by/to our Company.
- Neither our Promoters nor our Group companies have become sick companies under the SICA. Further, no winding up proceedings have been initiated against the Promoters or the Group Companies, except as disclosed in the section |Our Group Entities| of this Prospectus.

**Guarantees**

Our Promoters has given guarantees to financial institutions in respect of credit facility availed by our company as of the date of this Prospectus.

**Companies with which our Promoters have disassociated in the last three years**

Except as disclosed below, our Individual Promoters have not disassociated with any Company in last three years:

S. No.	Name of Company	Reason for Disassociation	Date of Disassociation
<b>Mr. Edgar Maximiano Do Rosario Cotta</b>			
1.	Mac Leisure Ventures Private Limited	Resigned from Directorship	September 14, 2016
<b>Mr. Edwin E R Cotta</b>			
1.	Mac Leisure Ventures Private Limited	Resigned from Directorship	September 14, 2016



## OUR PROMOTER GROUP

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

*Natural Persons who form part of our Promoter Group:*

<b>Relationship</b>	<b>Mr. Edgar Maximiano Do Rosario Cotta</b>	<b>Mr. Edwin E R Cotta</b>
Father	-	-
Mother	Bernadette Cotta	Bernadette Cotta
Spouse	Lizette Cotta	Yuka Cotta
Brother	Jose Schubert De Cotta Alfredo M Cotta Skoda Cotta Edwin E R Cotta	Jose Schubert De Cotta Alfredo M Cotta Skoda Cotta Edwin E R Cotta
Sister	Liesl De Souza Deanna De Sa	Liesl De Souza Deanna De Sa
Son	Shannen Cotta Keane Cotta	Mark Cotta
Daughter	Jeanne Cotta	Michika Cotta Emika Cotta
Spouse's Father	-	Masayuki Maeda (Japanese)
Spouse's Mother	Sara Noronha	Shige Maeda (Japanese)
Spouse's Brother	-	Yukinobu Maeda (Japanese)
Spouse's Sister	Isabel Noronha Maria Morajkar Marlene Menezes	Yumi Maeda (Japanese)

*Entities forming part of the Promoter Group:*

- Hotel Miramar Comfort Private Limited
- Mac Leisure Ventures Private Limited
- Woodcraft
- Eustaquio Traders and Exporters
- El Enterprise
- Alfredo M. Cotta and Associates
- Ocean Heights Home Stay
- Aqua Enterprise

Our Company has sent letter to each relative demanding their personal documents for identification of promoter group. However, we have not received reply from Sara Noronha (Mother in law of Edgar Maximiano Do Rosario Cotta), Isabel Noronha (Sister in law of Edgar Maximiano Do Rosario Cotta), Maria Morajkar (Sister in law of Edgar Maximiano Do Rosario Cotta), Marlene Menezes (Sister in law of Edgar Maximiano Do Rosario Cotta). Further our individual promoter Edwin E R Cotta is not in contact with his father in law Masayuki Maeda, mother in law Shige Maeda, Brother in law Yukinobu Maeda and Sister in law Yumi Maeda as all of them are living abroad(Japan) and consequently have not been able to retrieve their information in this respect. Therefore, the disclosures made in this Prospectus are limited to the extent of information that has been made available by our Promoters in relation to Promoter Group and Group Companies.

### **Relationship of Promoters with our Directors**

Our Promoters are part of our Board of Directors as Managing Director and Chairman & Whole Time Director.

Edgar Maximiano Do Rosario Cotta and Edwin E R Cotta are brothers within the meaning of Section 2(77) of the Companies Act, 2013.





## GROUP ENTITIES OF OUR COMPANY

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of “Group Companies”, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 Issued by the Institute of Chartered Accountant of India and such other companies as considered material by our Board. Pursuant to a resolution dated January 19, 2018, our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature.

The details of our Group Entities are provided below:

### Hotel Miramar Comfort Pvt Ltd

#### Corporate Information

Hotel Miramar Comfort Private Limited was incorporated as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated on January 28, 1987 bearing registration No. 000704.

<b>Incorporation Date</b>	January 28, 1987
<b>CIN</b>	U55101GA1987PTC000704
<b>PAN</b>	AAACH4633H
<b>Registered Office</b>	Beach Plaza (Annexee), First Floor Nomoxin, Carazalem, Ilhas, Panaji – 403 001, Goa, India.
<b>Nature of Activity</b>	Engaged in the business of Hotels & restaurants
<b>Board of Directors</b>	Edgar Maximiano Do Rosario Cotta Edwin E R Cotta

Set Forth below, is the shareholding Pattern of HMCPL is as follows: -

Sr. No	Name of Shareholders	No of Shares Held	% of Shares Held
1	Edwin E R Cotta	1,00,000	25.00
2	Skoda Cotta	75,000	18.75
3	Alfred M Cotta	75,000	18.75
4	Edgar Maximiano Do Rosario Cotta	75,000	18.75
5	Jose Schubert De Cotta	75,000	18.75
	<b>Total</b>	<b>4,00,000</b>	<b>100.00 %</b>

#### Financial Performance

The audited financial results of HMCPL for the last three financial years, preceding the date of this Prospectus are as follows: -

(₹ In Lakhs, except per share data)

Particulars	2017	2016	2015
Equity Share Capital	40.00	40.00	40.00
Reserve and surplus (excluding Revaluation reserve, if any)	71.75	40.29	20.17
Net Worth	111.75	80.29	60.17
Sales/Turnover including Other Income	512.36	421.81	387.85
Profit/(Loss) after Tax	31.46	20.13	17.70
Earnings Per Share (in ₹)	7.86	5.03	4.43
Net Asset Value per Share (in ₹)	27.94	20.07	15.04

#### Significant Notes by Auditors

Nil

**Nature and extent of Interest of our Promoters:**

Name	Shares	Percentage of Shareholding
Edwin E R Cotta	1,00,000	25.00
Edgar Maximiano Do Rosario Cotta	75,000	18.75

Our Promoters Edgar Maximiano Do Rosario Cotta and Edwin E R Cotta are also the Director of HMCPL.

**Mac Leisure Ventures Private Limited****Corporate Information**

Mac Leisure Ventures Private Limited was incorporated as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated on October 19, 1995 bearing registration No. 001952.

<b>Incorporation Date</b>	October 19, 1995
<b>CIN</b>	U01952GA1995PTC001952
<b>PAN</b>	AABCM3413B
<b>Registered Office</b>	Beach Plaza (Annexee), First Floor Nomoxin, Carazalem, Ilhas Panaji – 403 001, Goa, India.
<b>Nature of Activity</b>	Engaged in the business of Hotels & restaurants
<b>Board of Directors</b>	Alfredo M Cotta Ingrid Cotta

Set Forth below, is the shareholding Pattern of MLVPL is as follows: -

Shareholder name	No. of shares	Percentage of Share holding
Alfredo M Cotta	19,000	98.96%
Edwin E R Cotta	100	0.52%
Ingrid Cotta	100	0.52%
<b>Total</b>	<b>19,200</b>	<b>100.00</b>

**Financial Performance**

The audited financial results of MLVPL for the last three financial years, preceding the date of this Prospectus are as follows: -

(₹ In Lakhs, except per share data)

Particulars	2017	2016	2015
Equity Share Capital	19.20	19.20	19.20
Reserve and surplus (excluding Revaluation reserve, if any)	6.34	(27.75)	(28.81)
Net Worth	25.54	(8.55)	(9.61)
Sales/Turnover including Other Income	7.94	32.47	54.61
Profit/(Loss) after Tax	34.09	1.06	9.29
Earnings Per Share (in ₹)	177.54	5.50	48.37
Net Asset Value per Share (in ₹)	133.04	(44.51)	(50.01)

**Significant Notes by Auditors**

Nil

**Nature and extent of Interest of our Promoters:**

Shareholder name	No. of shares	Percentage of Share holding
Edwin E R Cotta	100	0.52%
<b>Total</b>	<b>19,200</b>	<b>100.00</b>

**Interest of Group Companies***Interest in promotion of Our Company*



Our Group Companies are interested to the extent of their shareholding of Equity Shares, from time to time, for which they are entitled to receive the dividend declared, if any, by our Company. Our Individual Promoters may also benefit from holding directorship in our Company.

***In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Prospectus.***

Except as mentioned in the chapter titled “*Our Business*” under the heading Land & Property beginning on page 71 of this Prospectus, none of our Group Companies have any interest in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of Prospectus or proposed to be acquired by it.

***Interest in the transaction involving acquisition of land, construction of building and supply of machinery***

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

**Common Pursuits among the Group Companies with our Company**

Our Promoters are interested as Directors and/or Member in our Group Companies which are involved in activities similar to those conducted by our Company. Our Group Companies are authorised under their constitutional documents to engage in a similar line of business as we do. Further, we have not entered into any non-compete or similar arrangements with these Group Companies or otherwise with our Promoters. Accordingly, there can be no assurance that these Group Companies will not in future engage in any competing business activity or acquire interests in competing ventures.

**Related Business Transactions within the Group Companies and significance on the financial performance of Our Company**

For details, please refer “*Financial Statements as Restated*” on page 133 of this Prospectus.

**Significant Sale/Purchase between Group Entities and our Company**

Except as disclosed in “*Financial Statements as Restated*” on page 133, None of our Group Entities is involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

**Business interest of Group Companies**

Except as disclosed in “*Financial Statements as Restated*” on page 133, none of our Group Companies has any business interest in our Company.

**Other Confirmations**

- As on the date of this Prospectus, none of the Group Companies: (i) are listed on any stock exchange; (ii) have completed any public or rights Offer since the date of its incorporation; (iii) have become a sick Company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 in India; (iv) has received any winding up petition accepted by a court; (v) have become defunct; (vi) have made an application to the relevant registrar of companies (in India), for striking off its name;
- None of our Group Entities have been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.
- None of our Group Entities are Willful Defaulters.
- None of our Group Companies have made a loss in the immediately preceding year.

**Litigations**

For details relating to legal proceedings involving our Group Entities, please refer “*Outstanding Litigation and Material Developments*” on page 176 of this Prospectus.



**Dissociation by the promoter in the last three years**

Except as below, Our Promoters have not disassociated himself from any of the group companies during the last three years preceding the date of the Prospectus.

<b>S. No.</b>	<b>Name of Company</b>	<b>Reason for Disassociation</b>	<b>Date of Disassociation</b>
<b>Mr. Edgar Maximiano Do Rosario Cotta</b>			
1.	Mac Leisure Ventures Private Limited	Resigned from Directorship	September 14, 2016
<b>Mr. Edwin E R Cotta</b>			
1.	Mac Leisure Ventures Private Limited	Resigned from Directorship	September 14, 2016



## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to chapter titled “*Financial Statements as Restated*” beginning on page 133 of this Prospectus.



## **DIVIDEND POLICY**

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

Our Company has not declared any dividend on the Equity Shares in each of the Financial Years ended on March 31, 2016, 2017 and 2018 as per our Restated Financial Statements.



SECTION VI: FINANCIAL INFORMATION

FINANCIAL STATEMENTS AS RESTATED

Independent Auditor's Report for the Restated Financial Statements of Mac Hotels Limited

Report of Auditors on the Restated Financial Information of Mac Hotels Limited for each of the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, & March 31, 2014.

The Board of Directors  
Mac Hotels Limited,  
1<sup>st</sup> Floor Beach Plaza,  
Nomxin Caranzalem, Ilhas,  
Goa Panaji, GA 403001

Dear Sirs,

1. We, N. K. Aswani & Co., have examined the attached Restated Statement of Assets and Liabilities of **Mac Hotels Limited** (the "Company") as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the years ended as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 annexed to this report for the purpose of inclusion in the offer document prepared by the Company (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) in SME Platform of BSE Limited.
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
  - (i) Part I of Chapter III to the Companies Act, 2013("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**") issued by the Securities and Exchange Board of India ("**SEBI**") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - (iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE. ("**IPO**" or "**SME IPO**"); and
  - (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").
3. The Restated Summary 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, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014.
4. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - (i) The "**Statement of Assets and Liabilities as Restated**" as set out in **Annexure I** to this report, of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
  - (ii) The "**Statement of Profit and Loss as Restated**" as set out in **Annexure II** to this report, of the Company for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 are prepared by the Company and approved by the Board of Directors. These Statement





of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.

- (iii) The “**Statement of Cash Flow as Restated**” as set out in **Annexure III** to this report, of the Company for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
5. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:
- Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.
  - Adjustments for prior period and other material amounts in the respective financial years to which they relate and there are no qualifications which require adjustments.
  - There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
  - The Audit Report for FY 2017-18 contained report on legal & Regulatory requirement that AS-15/ Ind AS-19 on Employee benefits was not followed by the Company. Other than this There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial period/year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 which would require adjustments in this Restated Financial Statements of the Company.
  - These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure IV** to this report.
6. Audit for the financial years ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 was conducted by M/S Milind Kulkarni & Associates (Chartered Accountants). Accordingly, reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. Further financial statements for the financial year ended on 31<sup>st</sup> March, 2018 have been re-audited by us as per the relevant guidelines.
7. 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, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 proposed to be included in the Prospectus/Prospectus (“**Offer Document**”).

**Annexure of Restated Financial Statements of the Company: -**

- Significant Accounting Policies and Notes to Accounts as restated in Annexure IV;
- Reconciliation of Restated Profit as appearing in Annexure V to this report.
- Details of Share Capital as Restated as appearing in Annexure VI to this report;
- Details of Reserves and Surplus as Restated as appearing in Annexure VII to this report;
- Details & Nature of Long Term Borrowings as Restated as appearing in Annexure VIII to this report;
- Details of Deferred Tax Liabilities (Net) as Restated as appearing in Annexure IX to this report;
- Details of Trade Payables as Restated as appearing in Annexure X to this report;
- Details of Other Current Liabilities as Restated as appearing in Annexure XI to this report;
- Details of Short Term Provisions as Restated as appearing in Annexure XII to this report;
- Details of Fixed Assets as Restated as appearing in Annexure XIII to this report;
- Details of Inventories as Restated as appearing in Annexure XIV to this report;
- Details of Trade Receivables as Restated enclosed as Annexure XV to this report;
- Details of Cash and Cash Equivalents as Restated enclosed as Annexure XVI to this report;



- n. Details of Short Term Loans & Advances as Restated as appearing in Annexure XVII to this report;
  - o. Details of Revenue from operations as Restated as appearing in Annexure XVIII to this report;
  - p. Details of Other Income as Restated as appearing in Annexure XIX to this report;
  - q. Details of Employee benefit Expenses as Restated as appearing in Annexure XX to this report;
  - r. Details of Finance cost as Restated as appearing in Annexure XXI to this report;
  - s. Details of Other expenses as Restated as appearing in Annexure XXII to this report;
  - t. Details of Summary of Accounting Ratios as Restated as appearing in Annexure XXIII to this report
  - u. Capitalization Statement as Restated as at 31<sup>st</sup> March 2018 as appearing in Annexure XXIV to this report;
  - v. Statement of Tax Shelters as Restated as appearing in Annexure XXV to this report;
  - w. Details of Related Parties Transactions as Restated as appearing in Annexure XXVI to this report;
8. We, N. K. Aswani & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, the above financial information contained in Annexure I to XXVI of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV(A) are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For, N. K. Aswani & Co.**  
Chartered Accountants  
**Firm Registration No.: 100738W**

**N. K. Aswani & Co.**  
**Proprietor**  
**Membership No.: 033278**

**Date: September 03, 2018**  
**Place: Ahmedabad**

## STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE-I  
(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholders' funds</b>					
(a) Share capital	300.00	300.00	32.53	32.53	32.53
(b) Reserves and surplus	42.96	2.20	(10.85)	(19.27)	(28.03)
<b>Sub-Total</b>	<b>342.96</b>	<b>302.20</b>	<b>21.69</b>	<b>13.26</b>	<b>4.51</b>
<b>2. Non-current liabilities</b>					
(a) Long-term borrowings	173.97	149.99	154.82	131.60	148.64
(b) Deferred tax liabilities (Net)	9.29	7.00	2.24	3.29	4.43
(c) Other Non-Current Liabilities	-	-	-	-	-
<b>Sub-Total</b>	<b>183.26</b>	<b>156.99</b>	<b>157.06</b>	<b>134.89</b>	<b>153.07</b>
<b>3. Current liabilities</b>					
(a) Short-term borrowings	-	-	-	-	-
(b) Trade payables	11.10	20.33	41.15	38.12	22.09
(c) Other current liabilities	43.25	42.13	44.67	27.48	58.37
(d) Short-term provisions	31.94	42.12	36.52	45.29	27.64
<b>Sub-Total</b>	<b>86.29</b>	<b>104.59</b>	<b>122.34</b>	<b>110.89</b>	<b>108.11</b>
<b>TOTAL</b>	<b>612.51</b>	<b>563.78</b>	<b>301.09</b>	<b>259.04</b>	<b>265.69</b>
<b>II. ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Fixed assets	449.27	452.29	150.64	151.45	126.96
(b) Non-current investments	-	-	-	-	-
(c) Long-term loans and advances	-	-	-	-	-
(d) Other Non-Current Assets	-	-	-	-	-
<b>Sub-Total</b>	<b>449.27</b>	<b>452.29</b>	<b>150.64</b>	<b>151.45</b>	<b>126.96</b>
<b>2. Current assets</b>					
(a) Current investments	-	-	-	-	-
(b) Inventories	17.75	17.61	17.30	17.02	17.58
(c) Trade receivables	84.51	64.53	16.15	11.27	14.42
(d) Cash and cash equivalents	38.91	12.01	14.26	11.61	9.17
(e) Short-term loans and advances	22.07	17.35	102.74	67.69	97.55
<b>Sub-Total</b>	<b>163.24</b>	<b>111.49</b>	<b>150.44</b>	<b>107.59</b>	<b>138.72</b>
<b>TOTAL</b>	<b>612.51</b>	<b>563.78</b>	<b>301.09</b>	<b>259.04</b>	<b>265.69</b>



## STATEMENT OF PROFIT AND LOSS AS RESTATED

ANNEXURE-II  
(Amount in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
I.Revenue from operations	410.96	307.01	183.43	158.42	136.96
II.Other income	5.11	3.12	4.89	34.67	4.79
<b>III. Total Revenue (I + II)</b>	<b>416.07</b>	<b>310.13</b>	<b>188.32</b>	<b>193.10</b>	<b>141.76</b>
IV. Expenses:					
Purchases of Stock-in-Trade	44.73	53.16	39.00	27.79	13.21
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	0.29	(0.22)	0.29	5.67	(1.96)
Employee benefits expense	17.96	15.09	18.63	19.08	15.21
Finance costs	25.21	20.72	17.87	13.31	15.37
Depreciation and amortization expense	40.53	19.86	23.48	21.32	12.78
Other expenses	232.18	181.56	80.56	98.30	77.69
<b>Total expenses</b>	<b>360.90</b>	<b>290.17</b>	<b>179.83</b>	<b>185.48</b>	<b>132.30</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>	<b>55.17</b>	<b>19.96</b>	<b>8.49</b>	<b>7.61</b>	<b>9.45</b>
VI. Exceptional items	-	-	-	-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>	<b>55.17</b>	<b>19.96</b>	<b>8.49</b>	<b>7.61</b>	<b>9.45</b>
VIII. Extraordinary Items-	-	-	-	-	-
<b>IX. Profit before tax (VII- VIII)</b>	<b>55.17</b>	<b>19.96</b>	<b>8.49</b>	<b>7.61</b>	<b>9.45</b>
<b>X. Tax expense:</b>					
(1) Current tax	12.11	3.80	1.62	1.45	1.80
(2) MAT Credit	-	(1.65)	(0.50)	(1.45)	(1.80)
(3) Deferred tax	2.30	4.76	(1.05)	(1.14)	0.63
<b>XI. Profit (Loss) for the period from continuing operations (VII-VIII)</b>	<b>40.76</b>	<b>13.05</b>	<b>8.43</b>	<b>8.76</b>	<b>8.83</b>
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-
<b>XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XV. Profit (Loss) for the period (XI + XIV)</b>	<b>40.76</b>	<b>13.05</b>	<b>8.43</b>	<b>8.76</b>	<b>8.83</b>
XVI Earnings per equity share:					
(1) Basic & Diluted	1.36	3.84	25.90	26.91	27.13
(2) Adjusted EPS	1.36	3.84	2.59	2.69	2.71



## STATEMENT OF CASH FLOW AS RESTATED

ANNEXURE-III  
(Amount in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
Restated Net profit Before Tax and Extraordinary Items	55.17	19.96	8.49	7.61	9.45
<b>Adjustments For:</b>					
Depreciation	40.53	19.86	23.48	21.32	12.78
Interest Received	-	(0.04)	-	-	-
Interest and Finance Charges	25.21	20.72	17.87	13.31	15.36
<b>Operating Profit before working capital changes</b>	<b>120.90</b>	<b>60.50</b>	<b>49.84</b>	<b>42.25</b>	<b>37.60</b>
<b>Adjustment For:</b>					
Decrease/(Increase) in Inventories	(0.14)	(0.31)	(0.28)	0.55	(2.46)
Decrease/(Increase) in Trade receivables	(19.98)	(48.38)	(4.88)	3.15	6.18
Decrease/(Increase) in Short-term loans and advances	(4.72)	85.39	(35.04)	29.85	(38.01)
(Decrease)/Increase in Trade Payables	(9.24)	(20.82)	3.03	16.02	7.22
(Decrease)/Increase in Other Current Liabilities	1.12	(2.54)	17.19	(30.89)	2.85
(Decrease)/Increase in Short Term Provisions	(10.18)	5.60	(8.77)	17.65	10.08
<b>Cash Generated from Operations</b>	<b>77.75</b>	<b>79.44</b>	<b>21.10</b>	<b>78.59</b>	<b>23.46</b>
Taxes Paid	12.11	2.15	1.11	-	-
<b>Net Cash From / (Used In) Operating Activities (A)</b>	<b>65.64</b>	<b>77.29</b>	<b>19.99</b>	<b>78.59</b>	<b>23.46</b>
<b>Cash Flow from Investing Activities</b>					
(Purchase)/Sale of Fixed Assets/ Capital Work in Progress	(37.50)	(321.51)	(22.68)	(45.81)	(17.56)
Interest Received	-	0.04	-	-	-
<b>Net Cash From / (Used In) Investing Activities (B)</b>	<b>(37.50)</b>	<b>(321.47)</b>	<b>(22.68)</b>	<b>(45.81)</b>	<b>(17.56)</b>
<b>Cash Flow from Financing Activities</b>					
Proceeds from Issue of Shares	-	267.46	-	-	-
Interest and Finance Charges	(25.21)	(20.72)	(17.87)	(13.31)	(15.37)
(Decrease)/Increase in Long Term Borrowing	23.97	(4.82)	23.21	(17.04)	6.14
<b>Net Cash from Financing Activities (c)</b>	<b>(1.23)</b>	<b>241.92</b>	<b>5.34</b>	<b>(30.35)</b>	<b>(9.23)</b>
<b>Net Increase / (Decrease) in Cash (A)+(B)+(C)</b>	<b>26.91</b>	<b>(2.25)</b>	<b>2.65</b>	<b>2.43</b>	<b>(3.33)</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>12.01</b>	<b>14.26</b>	<b>11.61</b>	<b>9.17</b>	<b>12.51</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>38.91</b>	<b>12.01</b>	<b>14.26</b>	<b>11.61</b>	<b>9.17</b>

- I. The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements"
- II. Figures in Brackets represent outflows
- III. The above statement should be read with the Restated Statement of Assets and Liabilities, Statement of Profit and loss, Significant Accounting Policies and Notes to Accounts as appearing in Annexure I, II, IV(A) respectively.

**(A) Corporate Information:**

The Company was originally incorporated as “Mac Hotels Private Limited” at Panaji, Goa as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 20, 1990 bearing Registration Number 01100 issued by Registrar of Companies, Goa. Subsequently, the Company was converted into Public Company and the name of the Company was changed to “Mac Hotels Limited” in the year 2017. The Corporate Identification Number (CIN) of the Company is U55101GA1990PLC001100. The Company is the subsidiary company of Hotel Miramar Comfort Private Limited which holds 88.27% of equity shares in the Company. The Company has been incorporated with the main object to carry on the business of hotels, restaurant, café, caravan site, apartment house-keeper etc and related services. The Company is primarily engaged in the business of owning, operating and managing hotels, restaurants and resorts in Goa since last 25 years

The registered office of the Company is located at First Floor Beach Plaza, Nomxin Caranzalem, Ilhas, Panaji-403001, Goa, India. At present, it operates and manages one resort under the name “Resort Park Avenue” in Goa which is located at Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516. The Promoters of the company i.e. Edwin E R Cotta and Edgar Maximiano Do Rosario Cotta are having experience of 25 years in the Hospitality Industry especially Hotels and Restaurants Segment.

**(B) Basis of Preparation:**

The Restated Summary Statements of Assets and Liabilities of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, have been compiled by management from the financial statements of the company for the period ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets & Liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known/materialized.

**(C) Significant Accounting Policies:****(a) Use of Estimates:**

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

**(b) Fixed Assets:**

Fixed Assets are stated at their acquisition cost less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use where applicable together with any incidental expenses of acquisition/installation. Cost of acquisition includes borrowing costs that are directly attributable to the acquisition/construction of qualifying assets.

**(c) Depreciation:**

Up to March 31st, 2014 depreciation on fixed assets is provided on written down value method (WDV) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life. w.e.f April 1st, 2014 depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013 except

non-charging of 100% depreciation on assets costing below Rs. 5000/-. The carrying amount as on April 1st, 2014 is depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

**(d) Revenue Recognition:**

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

**(e) Investments:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. 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.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**(f) Employee Benefits:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services. The Company is required to assess its provision for gratuity and make provision each year however, no provision for gratuity has been in the books of accounts.

**(g) Taxation:**

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act'1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable income and accounting income. Deferred Tax Assets or Differed Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

**(h) Borrowing Cost:**

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(i) Segment Reporting:**

The Company is primarily engaged in the business of owning, operating and managing hotels, restaurants and resorts in Goa. Considering the nature of Business and Financial Reporting of the Company, the Company is operating in only one Segment and hence segment reporting is not applicable.

**(j) Provisions and Contingent Liabilities:**

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.





Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**(k) Earnings per share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the period.

**RECONCILIATION OF RESTATED PROFIT**

**ANNEXURE V**

**(Amount in Lakhs)**

Adjustments for	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Net profit/(loss) after tax as per audited statement of profit & loss	44.89	13.72	4.67	8.64	9.83
<b>Adjustments for:</b>					
Prior Period Adjustments (Refer Note 1)	-	0.96	4.50	(0.75)	(0.38)
Excess / Short Provision for Tax (Refer Note 2)	(1.11)	3.85	(1.11)	-	-
Deffered Tax Liability / Assets Adjustments (Refer Note 3)	(2.30)	(4.76)	1.05	1.14	(0.63)
Depreciation and Other Adjustments	(0.72)	(0.72)	(0.68)	(0.28)	-
<b>Net profit/ (loss) after tax as restated</b>	<b>40.76</b>	<b>13.05</b>	<b>8.43</b>	<b>8.76</b>	<b>8.83</b>

**Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective years / period.**

**Adjustments having impact on Profit:**

**Note: 1**

Amounts relating to the Prior Period have been adjusted in the Year to with the same related to.

**Note: 2**

The company has provided Excess or Short Provision in the year in which the income tax return has been filled. But in restated account, the company has provided Excess or Short Provision in the year to which it relates

**Note: 3**

There is change in Deferred Tax Assets / Liabilities as per Audited Books of Accounts and as per Restated Books and the same has been given effect in the year to which the same relates.

**To give Explanatory Notes regarding Adjustments**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2009.

## DETAILS OF SHARE CAPITAL AS RESTATED

ANNEXURE-VI  
(Amount in Lakhs)

## 1. Statement of Share Capital

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>Authorised</b>					
Equity shares of Rs. 10/- each	310.00	310.00	50.00	50.00	50.00
1,000 4% Redeemable Non-Cumulative Preference Shares of Rs. 100/- each	-	-	1.00	1.00	1.00
<b>Issued, Subscribed and Fully paid up Capital</b>					
Equity Share capital	300.00	300.00	32.53	32.53	32.53
<b>Total</b>	<b>300.00</b>	<b>300.00</b>	<b>32.53</b>	<b>32.53</b>	<b>32.53</b>

## Terms/rights attached to equity shares:

- During the Financial Year 2016-17 the Company has increased its Authorised Share Capital from Rs. 50,00,000 Lakhs to Rs. 3,10,00,000 Lakhs by passing a Special Resolution in the Extra Ordinary General Meeting on 16th January 2017.
- During the Financial Year 2016-17 the Company has issued and allotted 26,74,660 Equity Shares of Rs. 10 each on preferential basis for consideration other than cash by passing special resolution in Extra Ordinary General Meeting held on 30th March 2017.
- During the Financial Year 2016-17 the Company has reclassified its 49,000 Equity Shares of Rs. 100 each and 1,000,4% redeemable non-cumulative preference shares of Rs. 100 into 5,00,000 equity shares of Rs. 10 each by passing special resolution in Extra Ordinary General Meeting held on 01st January 2017.

## Terms/rights attached to equity shares:

- The company was having only one class of Equity Shares with par value of Rs. 10.00 per share. Each holder of Equity shares was entitled to one Vote per share.
- In the Liquidation of the company, the holders of Equity Shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

## 2. Reconciliation of Shares outstanding at the beginning and at the end of the Period

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
At the beginning of the period	3,000,000	32,534	32,534	32,534	32,534
Additional Shares Due to Change in Face Value	-	2,92,806	-	-	-
Issued during the year	-	26,74,660	-	-	-
Redeemed or bought back during the period	-	-	-	-	-
Outstanding at the end of the Period	<b>3,000,000</b>	<b>30,00,000</b>	<b>32,534</b>	<b>32,534</b>	<b>32,534</b>

## 3. For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:



Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	-	26,48,000	-	-	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	-	-	-	-	-
Aggregate number and class of shares bought back.	-	-	-	-	-

**4a. Details of Shareholders holding more than 5% shares in the company (In terms of No. of Shares Holding)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Name of Shareholders	No. of Shares	No. of Shares	No. of Shares	No. of Shares	No. of Shares
Mr. Alfred M Cotta	70,000	70,000	25,141	25,141	25,141
Hotel Miramar Comfort Pvt Ltd	26,48,000	26,48,000	-	-	-
Schubert Cotta	-	-	6,391	6,391	6,391
<b>Total</b>	<b>27,18,000</b>	<b>27,18,000</b>	<b>31,532</b>	<b>31,532</b>	<b>31,532</b>

**4b. Details of Shareholders holding more than 5% shares in the company (In terms of % Holding)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Name of Shareholders	% holding	% holding	% holding	% holding	% holding
Mr. Alfred M Cotta	2.33	2.33	77.28	77.28	77.28
Hotel Miramar Comfort Pvt Ltd	88.27	88.27	-	-	-
Schubert Cotta	-	-	19.64	19.64	19.64
<b>Total</b>	<b>90.60</b>	<b>90.60</b>	<b>96.92</b>	<b>96.92</b>	<b>96.92</b>

**DETAILS OF RESERVES AND SURPLUS AS RESTATED**

**ANNEXURE-VII**

(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>A. Security premium account</b>	-	-	-	-	-
<b>B. Profit loss account</b>					
Opening Balance	2.20	(10.85)	(19.27)	(28.03)	(36.85)
Add: Net Profit/(Loss) for the year	40.76	13.05	8.43	8.76	8.83
Closing Balance	42.96	2.20	(10.85)	(19.27)	(28.03)
<b>Total(A+B)</b>	<b>42.96</b>	<b>2.20</b>	<b>(10.85)</b>	<b>(19.27)</b>	<b>(28.03)</b>

**Notes:**

- The figures disclosed above are based on the Unconsolidated restated summary statement of assets and liabilities of the Company
- The above statement should be read with the notes to unconsolidated restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.



3. Pursuant to the Enactment of the Companies Act, 2013, the Company has applied the estimated useful lives as specified in the Schedule II. The Written down Value of the Fixed Assets whose lives have expired as at 01st April, 2015 have been adjusted, in the Opening balance of Profit and Loss Account.

## DETAILS OF LONG TERM BORROWINGS AS RESTATED

## ANNEXURE VIII

(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>A1. From Banks (Secured)</b>					
Bank OF India -71	3.13	3.78	4.41	-	-
Bank OF India -59	1.95	1.89	4.70	6.00	7.14
Citizen Co. op Bank-70005	-	-	-	-	1.74
Citizen Co. op Bank-70006	-	-	-	-	-
Citizen Co. op Bank-70032	-	1.21	4.04	6.90	10.36
Citizen Co. op Bank-70033	-	0.73	9.17	17.70	25.85
Citizen Co. op Bank-70035	-	-	1.56	5.35	9.41
Citizen Co. op Bank-70036	-	1.70	5.02	8.36	12.53
Citizen Co. op Bank-111	-	0.39	1.03	1.68	2.47
Citizen co.op Loan A/c-605-007	29.30	35.40	-	-	-
Citizen co.op Loan A/c-605-008	11.68	14.30	-	-	-
The Shamrao Vithal Co. Op Bank-647	29.04	35.56	41.42	-	-
The Shamrao Vithal Co. Op Bank-648	12.23	15.51	18.09	-	-
Union Bank of India Loan -32	7.46	9.07	9.77	-	-
Citizen Co. op Bank TL-10	79.19	-	-	-	-
<b>A2. From NBFC(Unsecured)</b>					
Bajaj Finsery Loan A/c-7114	-	30.45	-	-	-
<b>Total(A1+A2)</b>	<b>173.97</b>	<b>149.99</b>	<b>99.21</b>	<b>45.99</b>	<b>69.50</b>
<b>B. From Other Parties (Unsecured)</b>		-	-	-	-
<b>B1. From Promoter Group</b>					
<b>Loan from Promoters</b>					
Edwin Cotta	-	-	-	30.00	30.00
Hotel Miramar Comfort Pvt Ltd	-	-	-	-	3.05
MAC leisure ventures private limited	-	-	55.61	55.61	46.09
<b>Loan from Share Holders</b>					
<b>B2. From Financial Institutions</b>	-	-	-	-	-
<b>B3. From Others</b>	-	-	-	-	-
<b>Inter Corporate Deposits</b>	-	-	-	-	-
<b>Loan from Others</b>	-	-	-	-	-
<b>Total(B)</b>	<b>-</b>	<b>-</b>	<b>55.61</b>	<b>85.61</b>	<b>79.14</b>
<b>Total A+B</b>	<b>173.97</b>	<b>149.99</b>	<b>154.82</b>	<b>131.60</b>	<b>148.64</b>

## NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS INCLUDING CURRENT MATURITIES

Sr. No.	Lender	Nature of facility	Amount outstanding as at March 31, 2018	Rate of interest (%)	Repayment terms	Security/Principal terms and conditions
	Bank of India	Business Loan of Rs.5.40/- Lacs	Rs. 3.84 Lacs	4.15% above base rate i.e. presently at 14.10%	83 EMIs of Rs. 10,222/- each	1.Hypothication of diesel generator set purchased out of bank finance 2. Personal Guarantee of Directors Mr. Edwin E



Sr. No.	Lender	Nature of facility	Amount outstanding as at March 31, 2018	Rate of interest (%)	Repayment terms	Security/Principal terms and conditions
1		Business Loan of Rs.9.00/- Lacs	Rs. 3.49 Lacs	4.00% above base rate i.e. presently at 14.50%	84 EMIs of Rs. 17,000/- each	R Cotta & Mr. Edger Cotta  1.EQM of Flat No. MBS2 ad measuring 3200 sq mt second floor in building MB or "B" block or main building block in project park avenue 2. Personal Guarantee of Directors Mr. Edwin E R Cotta & Mr. Edger Cotta
2	Citizen credit Co. op Bank	Term Loan of Rs.42.00 Lacs	Rs. 35.30 Lacs	At Bank PLR i.e.12.25% P.a.	Repayable in 84 monthly instalments each of Rs.50000/- Plus Interest Starting From 24.02.2017	1. 8 unit HTI(JTI), OG2, OG1, LT2(NT2), LT1(NT1), HT2(JT2), AF2(BF2), AF1(BF1) at village Royal, Calangute, Goa 2. 4 unit MBT1. MBT2, MBT3 & MBT4 at Park Avenue Calangute, Goa 3.Hypothication of Equipment, Plant & Machinery 4.Joint & Several Guarantees of Mr. Edwin E R Cotta, Mr, Edger Cotta, Ms Lizette Cotta, Ms, Yuka Cotta
		Term Loan of Rs.18.00 Lacs	Rs. 14.26 Lacs	At Bank PLR i.e.12.25% P.a.	Repayable in 84 monthly instalments each of Rs.21486/- Plus Interest Starting From 24.12.2016	
		Loan against Property of Rs.90.00/- Lakhs	Rs.88.55/- Lakhs	Interest rate of 10.75% P.a. subject to change at banks Discretion	Repayable in 84 EMI of Rs. 1,52,921 Lakhs/- each	Loan will be secured by of equitable mortgage of (i) 8 units - HTI(JTI), OG2, OG1, LT2(NT2), LT1(NT1), HT2(JT2), AF2(BF2) & AF1(BF1) at village royal, calangute Goa, M.V. Rs 1.26 Cr as per valuation report (ii) Shop No. MBGS12, Park Avenue, Goa Joint & Saveral Guarantees of Followings: i. Mr. Edwin Cotta ii.Mr. edger Cotta iii. Hotel Miramar Comfort Pvt Ltd



Sr. No.	Lender	Nature of facility	Amount outstanding as at March 31, 2018	Rate of interest (%)	Repayment terms	Security/Principal terms and conditions
3	The Shamrao Vithal Co-operative Bank Ltd	Term Loan of Rs.50.00/- Lacs	Rs. 35.44 Lacs	PLR 4.50% i.e.13.00% p.a	Repayable in 84 monthly installments of Rs. 90,960/- each	1.Plot No.25 admeasuring 285 sq mtrs, Survey office panaji sheet 146 & 147 situated at nomoxin caranzalem Goa & Bldg thereon comprise Gr & First admeasuring 220.98sq meters. 2.Personal Guarantee of Mr. Edwin E R Cotta, Mr. Edger Cotta, Mrs.Yuka Cotta, Mr. Alfred Cotta, Schubert cotta
		Term Loan of Rs.22.00/- Lacs	Rs. 15.04 Lacs	PLR 4.50% i.e.13.00% p. a	Repayable in 84 monthly installments of Rs. 40,023/- each	1.Hypothication Furniture, Fuxtures & Fixed assets of the company 2. Personal Guarantee of Mr. Edwin E R Cotta, Mr. Edger Cotta, Mrs.Yuka Cotta, Mr. Alfred Cotta, Schubert cotta 3.Plot No.25 admeasuring 285 sq mtrs, Survey office panaji sheet 146 & 147 situated at nomoxin caranzalem Goa & Bldg thereon comprise Gr & First admeasuring 220.98sq meters.
4	Union Bank of India	Term Loan of Rs.11.00/- Lacs	Rs. 8.26 Lacs	Floating Interest Rate of Rs.12.75%	Repayable in 120 EMIs of Rs.16262/- Each Commencing from October 2015	Loan Will be secured by equitable mortgage of Land/Land & Building/ Commercial Property Situated at 1. AIS1 Umtawado Calanguate Bardez, Calanguate - 403001, Goa

**DETAILS OF DEFERRED TAX LIABILITIES (NET) AS RESTATED**

**ANNEXURE IX  
(Amount in Lakhs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Total Timing Difference	36.09	22.65	7.25	10.66	14.32
Tax Rate as per Income Tax	25.75	30.90	30.90	30.90	30.90



Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
(DTA) / DTL	9.29	7.00	2.24	3.29	4.43
<b>Net deferred tax liability</b>	<b>9.29</b>	<b>7.00</b>	<b>2.24</b>	<b>3.29</b>	<b>4.43</b>

#### Deferred Tax Assets & Liabilities Summary

(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Opening Balance of (DTA) / DTL	7.00	2.24	3.29	4.43	3.80
Add: Provision for the Year	2.30	4.76	(1.05)	(1.14)	0.63
<b>Closing Balance of (DTA) / DTL</b>	<b>9.29</b>	<b>7.00</b>	<b>2.24</b>	<b>3.29</b>	<b>4.43</b>

#### DETAILS OF TRADE PAYABLES AS RESTATED

ANNEXURE XII

(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>From Micro, Small &amp; Medium</b>					
Sundry Creditors for Goods		-	-	-	-
Sundry Creditors for Expenses		-	-	-	-
Sundry Creditors for Capital Goods/Fixed Assets		-	-	-	-
<b>Others</b>					
Sundry Creditors for Goods	3.71	11.62	8.49	6.94	10.18
Sundry Creditors for Expenses	7.39	6.67	29.33	29.09	8.35
Sundry Creditors for Capital Goods/Fixed Assets	-	2.04	3.33	2.09	3.57
<b>Total</b>	<b>11.10</b>	<b>20.33</b>	<b>41.15</b>	<b>38.12</b>	<b>22.10</b>

#### Notes

- Outstanding against Purchase / Acquisition of Capital Goods / Assets have been shown under "Sundry Creditors for Capital Goods / Fixed Assets"
- Trade Payables as on March 31, 2018 has been taken as certified by the management of the company

#### DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

ANNEXURE XI

(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>Current Maturities of Term Liabilities</b>					
Bajaj Finance Ltd-191	-	-	10.46	-	-





Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Bank OF India -71	0.71	0.63	0.57	-	-
Bank OF India -72	-	-	-	-	-
Bank OF India -59	1.55	2.81	1.31	1.14	0.96
Citizen Co. op Bank-70005	-	-	-	1.74	7.11
Citizen Co. op Bank-70006	-	-	-	-	6.16
Citizen Co. op Bank-70032	1.18	2.83	2.86	3.45	2.15
Citizen Co. op Bank-70033	0.64	8.44	8.53	8.15	7.16
Citizen Co. op Bank-70035	-	1.56	3.79	4.06	3.39
Citizen Co. op Bank-70036	1.67	3.31	3.34	4.17	2.44
Citizen Co. op Bank-111	0.38	0.64	0.65	0.79	0.51
Citizen Credit Loan A/c-605-007	6.00	6.00	-	-	-
Citizen Credit Loan A/c-605-008	2.58	2.58	-	-	-
VPK Bank Loan-246/9	-	-	-	1.98	-
VPK Bank Loan-246/10	-	-	-	0.99	-
VPK Bank Loan-889	-	-	-	0.99	-
The Shamrao Vithal Co. Op Bank-647	6.40	5.87	5.15	-	-
The Shamrao Vithal Co. Op Bank-648	2.82	2.58	1.90	-	-
Union Bank of India Loan - 32	0.80	0.70	1.10	-	-
Citizen Co. op Bank-TL-10	9.36	-	-	-	-
Union Bank of India Loan - 92	-	0.43	-	-	-
<b>Other Payables</b>					
Advances from Customers	9.17	3.75	5.00	0.01	28.48
<b>Total</b>	<b>43.25</b>	<b>42.13</b>	<b>44.67</b>	<b>27.48</b>	<b>58.37</b>

**DETAILS OF SHORT TERM PROVISIONS AS RESTATED**

**ANNEXURE XII  
(Amount in Lakhs)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Provision for Indirect Tax	13.27	20.74	21.48	27.80	17.58
Provision for Taxation	5.46	2.73	3.74	2.98	2.10
Provision for Others	13.21	18.65	11.31	14.51	7.96
<b>Total</b>	<b>31.94</b>	<b>42.12</b>	<b>36.52</b>	<b>45.29</b>	<b>27.64</b>

**Notes:**

- Provision for Direct Tax have been adjusted against the Advance Tax and TDS Receivables, if any



## DETAILS OF FIXED ASSETS AS RESTATED

ANNEXURE XIII  
(Amount in Lakhs)

Particulars	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Intangible	Total
Gross Block:									
As at April 1, 2013	100.70	-	-	45.58	34.80	21.59	3.59	-	206.26
Additions / (Deletion)	7.88	-	-	5.59	0.74	0.80	2.55	-	17.56
<b>As at March 31, 2014</b>	<b>108.58</b>	<b>-</b>	<b>-</b>	<b>51.17</b>	<b>35.54</b>	<b>22.39</b>	<b>6.14</b>	<b>-</b>	<b>223.82</b>
As at April 1, 2014	108.58	-	-	51.17	35.54	22.39	6.14	-	223.82
Additions / (Deletion)	12.38	-	-	11.24	10.65	0.54	0.88	10.11	45.81
<b>As at March 31, 2015</b>	<b>120.96</b>	<b>-</b>	<b>-</b>	<b>62.41</b>	<b>46.20</b>	<b>22.93</b>	<b>7.02</b>	<b>10.11</b>	<b>269.63</b>
As at April 1, 2015	120.96	-	-	62.41	46.20	22.93	7.02	10.11	269.63
Additions / (Deletion)	7.29	-	-	10.11	4.55	(0.12)	0.35	0.50	22.68
<b>As at March 31, 2016</b>	<b>128.25</b>	<b>-</b>	<b>-</b>	<b>72.52</b>	<b>50.75</b>	<b>22.81</b>	<b>7.37</b>	<b>10.61</b>	<b>292.31</b>
As at April 1, 2016	128.25	-	-	72.52	50.75	22.81	7.37	10.61	292.31
Additions / (Deletion)	299.61	-	-	4.71	15.08	0.56	1.55	-	321.51
<b>As at March 31, 2017</b>	<b>427.86</b>	<b>-</b>	<b>-</b>	<b>77.23</b>	<b>65.83</b>	<b>23.37</b>	<b>8.92</b>	<b>10.61</b>	<b>613.82</b>
As at April 1, 2017	427.86	-	-	77.23	65.83	23.37	8.92	10.61	613.82
Additions / (Deletion)	4.53	-	-	7.55	25.09	-	0.32	-	37.50
<b>As at March 31, 2018</b>	<b>432.40</b>	<b>-</b>	<b>-</b>	<b>84.78</b>	<b>90.92</b>	<b>23.37</b>	<b>9.24</b>	<b>10.61</b>	<b>651.32</b>
<b>Accumulated Depreciation:</b>									
As at April 1, 2013	17.53	-	-	25.14	20.54	18.39	2.47	-	84.08
Charge for the year	4.29	-	-	3.28	3.25	1.00	0.96	-	12.78
<b>As at March 31, 2014</b>	<b>21.83</b>	<b>-</b>	<b>-</b>	<b>28.42</b>	<b>23.79</b>	<b>19.40</b>	<b>3.43</b>	<b>-</b>	<b>96.86</b>
As at April 1, 2014	21.83	-	-	28.42	23.79	19.40	3.43	-	96.86
Charge for the year	4.73	-	-	7.74	5.50	1.20	1.87	0.28	21.32
<b>As at March 31, 2015</b>	<b>26.56</b>	<b>-</b>	<b>-</b>	<b>36.16</b>	<b>29.29</b>	<b>20.60</b>	<b>5.30</b>	<b>0.28</b>	<b>118.19</b>
As at April 1, 2015	26.56	-	-	36.16	29.29	20.60	5.30	0.28	118.19
Charge for the year	5.10	-	-	9.84	5.94	0.53	1.38	0.68	23.48
<b>As at March 31, 2016</b>	<b>31.65</b>	<b>-</b>	<b>-</b>	<b>46.00</b>	<b>35.24</b>	<b>21.13</b>	<b>6.69</b>	<b>0.96</b>	<b>141.67</b>
As at April 1, 2016	31.65	-	-	46.00	35.24	21.13	6.69	0.96	141.67



Particulars	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Intangible	Total
Charge for the period	5.81	-	-	8.01	4.36	0.50	0.46	0.72	19.86
Additions / (Deletion)	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2017</b>	<b>37.46</b>	<b>-</b>	<b>-</b>	<b>54.01</b>	<b>39.60</b>	<b>21.64</b>	<b>7.14</b>	<b>1.68</b>	<b>161.53</b>
As at April 1, 2017	37.46	-	-	54.01	39.60	21.64	7.14	1.68	161.53
Charge for the period	19.34	-	-	8.01	11.49	0.40	0.56	0.72	40.53
Additions / (Deletion)	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2018</b>	<b>56.80</b>	<b>-</b>	<b>-</b>	<b>62.02</b>	<b>51.08</b>	<b>22.03</b>	<b>7.71</b>	<b>2.41</b>	<b>202.06</b>
Net Block:									
<b>As at March 31, 2014</b>	<b>86.76</b>	<b>-</b>	<b>-</b>	<b>22.75</b>	<b>11.76</b>	<b>2.99</b>	<b>2.71</b>	<b>-</b>	<b>126.96</b>
<b>As at March 31, 2015</b>	<b>94.41</b>	<b>-</b>	<b>-</b>	<b>26.25</b>	<b>16.90</b>	<b>2.33</b>	<b>1.72</b>	<b>9.84</b>	<b>151.45</b>
<b>As at March 31, 2016</b>	<b>96.60</b>	<b>-</b>	<b>-</b>	<b>26.52</b>	<b>15.51</b>	<b>1.67</b>	<b>0.69</b>	<b>9.65</b>	<b>150.64</b>
<b>As at March 31, 2017</b>	<b>390.40</b>	<b>-</b>	<b>-</b>	<b>23.22</b>	<b>26.23</b>	<b>1.73</b>	<b>1.78</b>	<b>8.93</b>	<b>452.29</b>
<b>As at March 31, 2018</b>	<b>375.59</b>	<b>-</b>	<b>-</b>	<b>22.76</b>	<b>39.84</b>	<b>1.33</b>	<b>1.54</b>	<b>8.21</b>	<b>449.27</b>

## DETAILS OF INVENTORIES AS RESTATED

ANNEXURE XIV  
(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
a. Raw Materials and components (Valued at Cost or NRV unless otherwise stated)	0.19	0.23	0.17	0.32	2.61
Goods-in transit	-	-	-	-	-
	<b>0.19</b>	<b>0.23</b>	<b>0.17</b>	<b>0.32</b>	<b>2.61</b>
b. Consumables (Valued at Cost or NRV unless otherwise stated)	17.26	16.83	16.74	16.17	11.06
Goods-in transit	-	-	-	-	-
	<b>17.26</b>	<b>16.83</b>	<b>16.74</b>	<b>16.17</b>	<b>11.06</b>
c. Finished goods (Valued at Cost or NRV unless otherwise stated)	-	-	-	-	-
Goods-in transit	-	-	-	-	-
	-	-	-	-	-
d. Stock-in-trade (Valued at Cost or NRV unless otherwise stated)	0.29	0.54	0.39	0.53	3.91
Goods-in transit	-	-	-	-	-
	<b>0.29</b>	<b>0.54</b>	<b>0.39</b>	<b>0.53</b>	<b>3.91</b>
<b>Total</b>	<b>17.75</b>	<b>17.61</b>	<b>17.30</b>	<b>17.02</b>	<b>17.58</b>



Notes: Value of Inventories as on 31st March, 2018 has been taken as certified by the management of the company

#### DETAILS OF TRADE RECEIVABLES AS RESTATED

#### ANNEXURE XV (Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>Unsecured &amp; Considered Good</b>					
<b>a. From Director / Promoters / Promoter Group / Associates / Relatives of Directors / Group Companies</b>					
Over Six Months	20.49	2.52	-	-	-
Less than Six Months	-	-	-	-	-
<b>b. From Others</b>					
Over Six Months	1.75	2.03	5.04	-	7.24
Less than Six Months	62.27	59.97	11.11	11.27	7.18
<b>Total</b>	<b>84.51</b>	<b>64.53</b>	<b>16.15</b>	<b>11.27</b>	<b>14.42</b>

**Notes:**

- Trade Receivables as on 31st March, 2018 has been taken as certified by the management of the company
- As per the view of the management of the company there is no doubtful debt and hence provision for doubtful debts have not been made

#### DETAILS OF CASH AND CASH EQUIVALENTS AS RESTATED

#### ANNEXURE XVI (Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Balances with banks	5.58	11.41	7.14	5.13	7.97
Cash on hand	33.34	0.59	3.77	2.48	1.20
FD	-	-	3.35	4.00	-
<b>Total</b>	<b>38.91</b>	<b>12.01</b>	<b>14.26</b>	<b>11.61</b>	<b>9.17</b>

#### DETAILS OF SHORT TERM LOANS & ADVANCES AS RESTATED

#### ANNEXURE XXI (Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>A. Loans and advances given To Employee</b>					
Secured, considered good					
<u>Unsecured, considered good: -</u>					
Alfred Cotta	2.30	3.00	2.00	-	2.40
Edwin E R Cotta	1.50	-	-	-	38.09
Schubert Cotta	1.80	-	-	-	-
Edger Cotta	-	-	15.00	-	2.19
Mac Leisures Ventures Pvt Ltd	-	-	-	-	2.66
Eustaquio Traders & Exporters	-	-	-	-	4.00



Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Hotel Miramar Comfort Pvt Ltd	-	-	39.32	23.29	-
<b>Sub Total</b>	<b>5.10</b>	<b>3.00</b>	<b>56.32</b>	<b>23.29</b>	<b>49.34</b>
<b>B. Security Deposits</b>					
Secured, considered good	0.11	0.34	0.34	0.06	0.06
Unsecured, considered good					
<b>Sub Total</b>	<b>0.11</b>	<b>0.34</b>	<b>0.34</b>	<b>0.06</b>	<b>0.06</b>
<b>C. Balances with government authorities</b>					
MAT Credit Entitlement	4.29	5.89	4.24	3.74	2.28
	<b>4.29</b>	<b>5.89</b>	<b>4.24</b>	<b>3.74</b>	<b>2.28</b>
<b>D. Others (specify nature)</b>					
Advance to staff	0.28	0.48	-	-	0.49
Advance to Suppliers	-	-	-	-	-
Advance to others					
Austin D'costa	-	-	-	0.06	-
Gokuldas Mandrekar	-	-	-	0.10	-
Mahesh Gaokar	-	-	0.04	0.02	-
Soubhagya Nayak	-	-	0.05	0.12	-
Thomas Belcsare	-	-	-	0.03	-
Dattaram Lotikar	-	-	40.00	40.00	-
Kishan Rathod	-	-	0.01	-	-
Balu Matkar	-	-	0.02	-	-
Pandurang Madkaikar	-	-	0.03	-	-
Shamba Sawant	-	-	0.05	-	-
Other Prepaid Expenses	-	1.64	1.64	-	-
Advance Payment for Purchase of Fixed Asset	12.00	6.00	-	-	-
Other Receivable	0.28	-	-	0.28	45.37
<b>Sub Total (D)</b>	<b>12.56</b>	<b>8.12</b>	<b>41.84</b>	<b>40.60</b>	<b>45.86</b>
<b>Total A+B+C+D</b>	<b>22.07</b>	<b>17.35</b>	<b>102.74</b>	<b>67.69</b>	<b>97.55</b>

**Notes:**

- Advances Given to Suppliers have been taken as certified by the management of the company.
- No Securities have been taken by the company against the advances given to the suppliers
- Advance Tax and TDS Receivables have been adjusted against the Provision for Direct Tax

**DETAILS OF REVENUE FROM OPERATIONS AS RESTATED****ANNEXURE XVIII**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>Sale of products</b>					
Export Sales		-	-	-	-
Local Sales	103.28	88.42	52.02	34.92	17.96



Revenue from sale of products	103.28	88.42	52.02	34.92	17.96
Sale of Services	307.68	218.59	131.41	123.50	119.00
Revenue from operations	410.96	307.01	183.43	158.42	136.96

## DETAILS OF OTHER INCOME AS RESTATED

ANNEXURE XIX  
(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	Nature of Income
Interest Income	-	0.04	-	-	-	Non-Recurring & Not Related to Business Activities
Forfeited Income	-	-	1.80	-	-	Non-Recurring & Related to Business Activities
Profit on sale of fixed asset	-	0.63	0.43	-	-	Non-Recurring & Not Related to Business Activities
<b>Other non-operating income</b>						
Liability Written Off	4.63	-	-	33.20	2.41	Non-Recurring & Related to Business Activities
Misc. Income	0.48	2.45	2.66	1.47	2.38	Recurring & Related to Business Activities
<b>Total</b>	<b>5.11</b>	<b>3.12</b>	<b>4.89</b>	<b>34.67</b>	<b>4.79</b>	

## DETAILS OF EMPLOYEE BENEFITS EXPENSE AS RESTATED

ANNEXURE XX  
(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>Salaries &amp; Wages</b>					
Salary & Wages	15.81	11.49	14.28	14.66	10.76
	<b>15.81</b>	<b>11.49</b>	<b>14.28</b>	<b>14.66</b>	<b>10.76</b>
<b>Contribution to provident and Other fund</b>					
Contribution to provident and other funds for others	0.93	1.16	1.39	1.12	1.09
	<b>0.93</b>	<b>1.16</b>	<b>1.39</b>	<b>1.12</b>	<b>1.09</b>
<b>Staff Welfare Expenses</b>					
Staff Welfare Expenses	1.22	2.44	2.95	3.31	3.36
	<b>1.22</b>	<b>2.44</b>	<b>2.95</b>	<b>3.31</b>	<b>3.36</b>
<b>Total</b>	<b>17.96</b>	<b>15.09</b>	<b>18.63</b>	<b>19.08</b>	<b>15.21</b>

## DETAILS OF FINANCE COST AS RESTATED

ANNEXURE XXI  
(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>Interest</b>					
Interest on short-term loans from Banks	-	-	-	-	-
Interest on long-term loans from Banks	24.07	19.29	16.31	12.31	14.76
	<b>24.07</b>	<b>19.29</b>	<b>16.31</b>	<b>12.31</b>	<b>14.76</b>
<b>Other Borrowing costs</b>					
Other Borrowing costs	1.14	1.43	1.56	1.00	0.61
	<b>1.14</b>	<b>1.43</b>	<b>1.56</b>	<b>1.00</b>	<b>0.61</b>
<b>Total</b>	<b>25.21</b>	<b>20.72</b>	<b>17.87</b>	<b>13.31</b>	<b>15.37</b>

## DETAILS OF OTHER EXPENSES AS RESTATED

ANNEXURE XXII  
(Amount in Lakhs)

Particulars	For the year ending on March 31, 2018	For the year ending on March 31, 2017	For the year ending on March 31, 2016	For the year ending on March 31, 2015	For the year ending on March 31, 2014
Advertisement & Publicity Expenses	0.85	2.53	1.78	1.76	2.02
Audit Fees	1.60	0.98	1.66	3.09	3.31
Bed Debt	-	-	-	-	5.33
Vat Paid as per assessment order	-	-	-	-	0.03
Cable T.V Charges	0.06	0.67	0.75	0.69	0.64
Discount Exp	-	4.44	-	-	-
House Keeping Exp	1.36	4.23	4.59	6.03	4.66
Linen , Uniform & Laundry Exp	1.77	4.26	1.82	2.62	3.15
Hotel Maintenance Exp	1.66	2.51	4.02	2.38	-
Service Tax Exp	-	-	-	3.13	-
Rent	39.24	37.81	35.25	35.24	30.32
Compensation Charges	-	-	-	-	-





Computer Exp	0.64	0.99	1.28	0.95	0.44
Stationery & Printing Exp	0.90	0.94	0.85	0.75	0.64
Courier, Postage & Xerox Expenses	0.62	1.35	1.02	0.66	0.50
Sales Promotion Exp	0.42	1.50	0.51	6.57	8.17
Commission & Brokerage	146.42	85.43	-	-	-
Fees, dues & Taxes	9.98	2.11	0.28	3.69	5.75
FrieghtExp	0.08	0.05	1.59	-	-
Insurance Expenses	0.98	0.83	0.55	0.02	-
Royalty Fees	3.24	-	-	-	-
Interest & Damages	4.77	2.95	1.04	-	-
Professional & Legal Charges	4.32	8.14	-	-	-
Power & Fuel Expenses	8.70	11.11	15.37	13.39	4.69
Repairs & Maintenance Expenses	2.52	5.58	4.54	13.60	6.76
Travelling & Conveyance Exp	0.13	1.46	0.48	2.75	0.92
Penaly as per VAT Assessment	-	-	-	0.02	0.02
Packing Expenses	1.37	0.14	1.37	-	-
MiscExp	0.53	1.58	1.82	0.95	0.37
Total	232.18	181.56	80.56	98.30	77.69

**DETAILS OF SUMMARY OF ACCOUNTING RATIOS AS RESTATED**

**ANNEXURE XXIII  
(Amount in Lakhs except share data)**

<b>Ratio</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
Restated PAT as per statement of profit and loss (A)	40.76	13.05	8.43	8.76	8.83
Weighted average number of equity shares at the end of the year/ period (B)	30,00,000	3,39,996	32,534	32,534	32,534



Weighted average number of equity shares at the end of the year/ period after reclassification (C)	30,00,000	3,39,996	3,25,340	3,25,340	3,25,340
No. of Equity Shares at the end of the year / period (D)	30,00,000	30,00,000	32,534	32,534	32,534
Net Worth, as Restated (E)	342.96	302.20	21.69	13.26	4.51
<b>Earnings Per Share</b>					
Basic & Diluted (Rs) (A/B)	<b>1.36</b>	<b>3.84</b>	<b>25.90</b>	<b>26.91</b>	<b>27.13</b>
Adjusted EPS (A/C)	<b>1.36</b>	<b>0.44</b>	<b>25.90</b>	<b>26.91</b>	<b>2.71</b>
Return on net worth (%) (A/E)	<b>11.88%</b>	<b>4.32%</b>	<b>38.85%</b>	<b>66.02%</b>	<b>195.86%</b>
Net Asset value per Equity Share after reclassification (E/C)	<b>11.43</b>	<b>10.07</b>	<b>6.67</b>	<b>4.08</b>	<b>1.39</b>
Net Asset value per Equity Share (E/D)	<b>11.43</b>	<b>10.07</b>	<b>66.67</b>	<b>40.76</b>	<b>13.85</b>
Nominal value per equity share (Rs.)	10.00	10.00	100.00	100.00	100.00

**Notes:**

1. The ratios have been Computed as per the following formulas

a) Basic Earnings per Share

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Weighted average number of equity shares outstanding at the end of the year / period}}$$

b) Net Asset Value (NAV) per Equity Share

$$\frac{\text{Restated Net worth of Equity Share Holders}}{\text{Number of equity shares outstanding at the end of the year / period}}$$

c) Return on Net Worth (%)

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Restated Net worth of Equity Share Holders}}$$

- Net Profit as restated, as appearing in the statement of profit and losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial information of the Company.
- Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning Per Share", issued by the Institute of Chartered Accountants of India.
- Prior to March 31, 2018, the company has made the following changes in its capital structure, the effects of which have been considered in computing the above accounting ratios
- During the Financial Year 2016-17 the Company has increased its Authorised Share Capital from Rs. 50,00,000 Lakhs to Rs. 3,10,00,000 Lakhs by passing an Special Resolution in the Extra Ordinary General Meeting on 16th January 2017.
- During the Financial Year 2016-17 the Company has issued and allotted 26,74,660 Equity Shares of Rs. 10 each on preferential basis For Consideration other than cash by passing special resolution in Extra Ordinary General Meeting held on 30th March 2017
- During the Financial Year 2016-17 the Company has reclassified its 49,000 Equity Shares of Rs. 100 each and 1,000 4% redeemable non-cumulative preference shares of Rs. 100 into 5,00,000 equity shares of Rs. 10 each by passing special resolution in Extra Ordinary General Meeting held on 01st January 2017.

CAPITALIZATION STATEMENT AS RESTATED AS AT 31<sup>ST</sup> MARCH, 2018

## ANNEXURE XXIV

(Amount in Lakhs)

Particulars	Pre-Issue	Post Issue
<b>Borrowings:</b>		
Short-term Debt (A)	-	-
Long-term Debt (B)	208.05	162.05
<b>Total debts (C)</b>	<b>208.05</b>	<b>162.05</b>
<b>Shareholders' funds</b>		
Share capital	300.00	[●]
Reserve and surplus	42.96	[●]
<b>Total shareholders' funds (D)</b>	<b>342.96</b>	<b>[●]</b>
<b>Long term debt / shareholders' funds (B/D)</b>	<b>0.61</b>	<b>[●]</b>
<b>Total debt / shareholders' funds (C/D)</b>	<b>0.61</b>	<b>[●]</b>

1. Short term debts represent debts which are due within 12 months from March 31, 2018.
2. Long term debts represent debts other than short term debts, as defined above but includes current maturities of long term debt.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at March 31, 2018

## STATEMENT OF TAX SHELTERS AS RESTATED

## ANNEXURE XXV

(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<b>Profit before tax, as restated (A)</b>	<b>55.17</b>	<b>19.96</b>	<b>8.49</b>	<b>7.61</b>	<b>9.45</b>
Normal Corporate Tax Rate (%)	25.75	30.90	30.90	30.90	30.90
Minimum Alternative Tax Rate (%)	19.06	19.06	19.06	19.06	19.06
<b>Adjustments:</b>					
<b>Permanent differences</b>					
Expenses disallowed under Income Tax Act, 1961	-	-	-	0.02	0.02
<b>Total permanent differences (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.02</b>	<b>0.02</b>
<b>Timing differences</b>					
Depreciation as per Books	40.53	19.86	23.48	21.32	12.78
Depreciation as per IT Act	48.67	32.85	17.93	16.37	14.81
Disallowance u/s 43B	-	-	-	-	0.03
<b>Total timing differences (C)</b>	<b>(8.14)</b>	<b>(12.99)</b>	<b>5.56</b>	<b>4.96</b>	<b>(2.01)</b>
<b>Net adjustments D = (B+C)</b>	<b>(8.14)</b>	<b>(12.99)</b>	<b>5.56</b>	<b>4.96</b>	<b>(2.01)</b>
<b>Tax expense / (saving) thereon Tax expense / (saving) thereon</b>	<b>(8.14)</b>	<b>(4.01)</b>	<b>1.72</b>	<b>1.54</b>	<b>(0.61)</b>
<b>Income from other sources (E)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



<b>Exempt Income (F)</b>	-	-	-	-	-
<b>Taxable income/(loss) (A+D+E-F)</b>	<b>47.02</b>	<b>6.97</b>	<b>14.04</b>	<b>12.59</b>	<b>7.47</b>
<b>Brought Forward Loss Set Off</b>					
Ordinary Business Loss	-	-	10.44	23.03	30.50
<b>Total Loss Set Off</b>	<b>-</b>	<b>-</b>	<b>10.44</b>	<b>23.03</b>	<b>30.50</b>
<b>Taxable Income / (loss)</b>	<b>47.02</b>	<b>6.97</b>	<b>3.60</b>	<b>(10.44)</b>	<b>(23.03)</b>
<b>Tax as per Normal Provision</b>	<b>12.11</b>	<b>2.15</b>	<b>1.11</b>	<b>(3.23)</b>	<b>(7.12)</b>
<b>Taxable income/(loss) as per MAT</b>	<b>55.17</b>	<b>19.96</b>	<b>8.49</b>	<b>7.61</b>	<b>9.45</b>
<b>Income tax as per MAT</b>	<b>10.51</b>	<b>3.80</b>	<b>1.62</b>	<b>1.45</b>	<b>1.80</b>
Tax paid as per "MAT" or "Normal Provisions"	Normal Provision	MAT Provision	MAT Provision	MAT Provision	MAT Provision



**DETAILS OF RELATED PARTIES TRANSACTIONS AS RESTATED  
ANNEXURE XXX**

Name of the Party	Nature of Relation	Nature of Transaction	Amount of Transaction Debited in 2012-13	Amount of Transaction Credited in 2012-13	Amount Outstanding as on 31.03.13 (Payable)/ Receivable	Amount of Transaction Debited in 2013-14	Amount of Transaction Credited in 2013-14	Amount Outstanding as on 31.03.14 (Payable)/ Receivable	Amount of Transaction Debited in 2014-15	Amount of Transaction Credited in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction Debited in 2015-16	Amount of Transaction Credited in 2015-16
Ingrid Cotta	Director	Lease rent Exp	-	-	(0.33)	0.33	-	-	-	-	-	-	-
Edger Cotta	Director	Loans & Advances	0.32	-	2.19	-	-	2.19	-	2.19	-	15.00	-
Edger Cotta	Director	Lease rent Exp	-	-	0.90	0.50	2.10	(0.70)	-	2.50	(3.20)	-	2.50
Edwin Cotta	Director	Loans & Advances	17.80	12.00	18.34	26.88	37.13	8.09	12.32	50.41	(30.00)	34.16	4.16
Edwin Cotta	Director	Lease rent Exp	0.20	0.75	0.37	5.43	5.80	-	3.45	6.10	(2.65)	7.51	6.10
Macleisure ventures private limited	Sister Concern	Loans & Advances	-	10.92	2.66	-	-	2.66	-	2.66	-	-	-
Macleisure ventures private limited	Sister Concern	Lease rent Exp	-	-	(1.09)	-	3.00	(4.09)	-	4.32	(8.41)	12.73	4.32
Macleisure ventures	Sister Concern	Unsecured Loans	-	-	(46.09)	-	-	(46.09)	-	9.52	(55.61)	-	-



private limited													
Schubert Cotta	Brother of Director	Flat Purchased	11.00	11.00	-	-	-	-	0.35	0.35	-	-	-
Schubert Cotta	Brother of Director	Lease rent Exp	0.20	0.77	-	0.20	0.60	(0.40)	-	0.70	(1.10)	-	0.64
Alfred Cotta	Brother of Director	Loans & Advances	-	-	2.40	-	0.30	2.10	0.30	2.40	-	2.00	-
Alfred Cotta	Brother of Director	Lease rent Exp	-	-	(0.27)	-	0.50	(0.77)	-	0.72	(1.49)	-	0.72
Woodcraft	proprietorship of director	Purchase	0.25	-	(1.22)	-	-	(1.22)	1.35	0.14	-	-	-
Eustaquio Exporters & Traders	Partnership of directors	Loans & Advances	-	-	-	-	-	-	-	-	-	-	-
Eustaquio Exporters & Traders	Partnership of directors	Loans & Advances	-	-	-	4.00	-	4.00	-	4.00	-	-	-
Yuka Cotta	Wife of director	Lease rent Exp	-	-	-	-	-	-	-	0.70	(0.70)	-	0.70
El Enterprise	Partnership of directors	Sales	-	-	-	-	-	-	-	-	-	-	-
Hotel Miramar Comfort Pvt Ltd	Sister Concern	Purchase	-	1.01	(0.50)	0.55	-	0.05	-	0.05	-	-	-
Hotel Miramar Comfort Pvt Ltd	Sister Concern	Loans & Advances	-	25.60	5.97	13.21	22.23	(3.05)	72.00	45.66	23.29	27.33	11.30



Name of the Party	Nature of Relation	Nature of Transaction	Amount Outstanding as on 31.03.16 (Payable)/ Receivable	Amount of Transaction Debited in 2016-17	Amount of Transaction Credited in 2016-17	Amount Outstanding as on 31.03.17(Payable)/ Receivable	Amount of Transaction Debited in 2017-18	Amount of Transaction Credited in 2017-18	Amount Outstanding as on 31.03.18(Payable)/ Receivable
Ingrid Cotta	Director	Lease rent Exp	-	-	-	-	-	-	-
Edger Cotta	Director	Loans & Advances	15.00	-	15.00	-	-	-	-
Edger Cotta	Director	Lease rent Exp	(5.70)	7.55	1.85	-	1.89	1.89	-
Edwin Cotta	Director	Loans & Advances	-	3.25	3.25	-	3.63	2.63	1.00
Edwin Cotta	Director	Lease rent Exp	(1.24)	10.86	9.62	-	5.88	5.88	-
Mac leisure ventures private limited	Sister Concern	Loans & Advances	-	40.00	40.00	-	-	-	-
Mac leisure ventures private limited	Sister Concern	Lease rent Exp	-	4.32	4.32	-	3.78	3.78	-
Mac leisure ventures private limited	Sister Concern	Unsecured Loans	(55.61)	55.61	-	-	-	-	-
Schubert Cotta	Brother of Director	Flat Purchased	-	-	-	-	-	-	-
Schubert Cotta	Brother of Director	Lease rent Exp	(1.74)	2.44	0.70	-	3.15	1.35	1.80
Schubert Cotta	Brother of Director	Lease rent Exp	-	-	-	-	0.70	0.70	-
Alfred Cotta	Brother of Director	Loans & Advances	2.00	3.00	2.00	3.00	-	0.70	2.30
Alfred Cotta	Brother of Director	Lease rent Exp	(2.21)	2.87	0.66	-	0.70	-	0.70
Woodcraft	proprietorship of director	Purchase	-	-	-	-	-	-	-
Eustaquio Exporters & Traders	Partnership of Directors	Loans & Advances	-	0.46	0.46	-	-	-	-
Eustaquio Exporters & Traders	Partnership of Directors	Loans & Advances	-	-	-	-	0.30	1.80	(1.50)
Yuka Cotta	Wife of director	Lease rent Exp	(1.40)	1.75	0.35	-	0.49	0.49	-
El Enterprise	Partnership of Directors	Sales	-	4.26	1.74	2.52	11.42	13.94	-



**Mac Hotels Limited**



Hotel Miramar Comfort Pvt Ltd	Sister Concern	Purchase	-	-	-	-	-	-	-
Hotel Miramar Comfort Pvt Ltd	Sister Concern	Sales	-	-	-	-	36.62	16.12	20.49
Hotel Miramar Comfort Pvt Ltd	Sister Concern	Loans & Advances	39.32	329.73	369.05	-	16.09	16.09	-



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

*You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which is included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements, as restated for the years ended March 31, 2018, 2017, 2016, 2015 and 2014 including the related notes and reports, included in this Prospectus is prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*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 described under chapters titled "Risk Factors" and "Forward Looking Statements" beginning on pages 14 and 13, respectively of this Prospectus.*

*Our FY ends on March 31 of each year. Accordingly, all references to a particular FY are to the 12 months ended March 31 of that year.*

### **Business Overview**

Our Company was originally incorporated as "Mac Hotels Private Limited" at Panaji, Goa as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 20, 1990 bearing Registration Number 01100 issued by Registrar of Companies, Goa. Subsequently, our Company was converted into Public Company and the name of our Company was changed to "Mac Hotels Limited" in the year 2017. The Corporate Identification Number (CIN) of our Company is U55101GA1990PLC001100.

Our Company is the subsidiary company of Hotel Miramar Comfort Private Limited which holds 88.27 % of equity shares in our Company as on date of this Prospectus.

We are primarily engaged in the business of owning, operating and managing hotels, restaurants and resorts in Goa since last 25 years. Our Company has been incorporated with the main object to carry on the business of hotels, restaurant, café, caravan site, apartment house-keeper etc and related services. Our Hotels and Resorts are tourist destinations for domestic as well as international tourists and are one of the frequented hotels in Goa.

The registered office of our Company is located at Mac Corporate House, First Floor, Near Kamat Kinara, Nomoxin, Caranzalem, Miramar, Panaji, Goa – 403002, India. At present, we operate and manage one resort under the name "Resort Park Avenue" in Goa which is located at Umta Wado, Near Infantaria Bakery, Baga Road, Calangute, Bardez, Goa – 403516, India.

Our Promoters i.e. Edwin E R Cotta and Edgar Maximiano Do Rosario Cotta are having experience of 25 years in the Hospitality Industry especially Hotels and Restaurants Segment. Our promoters have been instrumental in determining the vision and growth strategies for our Company. Our Corporate Promoter Miramar Comforts Private Limited is engaged in Hospitality Business.

We value our customers and aim to exceed customer expectations by fulfilling valuable commitments. Our customer-oriented approach and cordial relations with them are the key strengths of our company. We continuously aspire for great heights which not only showcase our signature of success in the present but also leave a mark for future.

### **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 and passed resolution on July 27, 2017 for conversion of the company from Private Limited to Public Limited.



2. The shareholders approved and passed resolution on May 10, 2018 to authorize the Board of Directors to raise funds by making Initial Public Offering.
3. The shareholders approved and passed resolution on September 05, 2017 to increase the borrowing limits of the company up to Rs. 100.00 Crore.
4. Shareholders approved appointment of Blaise Lawrence Costabir as Independent Director in their meeting held on August 30, 2017.
5. Shareholders approved appointment of Edgar Maximiano Do Rosario Cotta as Managing Director and Edwin E R Cotta as Chairman and Whole Time Director in their meeting held on September 05, 2017

### Factors affecting our results of operations

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

- Competition from existing as well as new Hotels & resorts
- Demand and supply of hotel accommodation at the places where our properties are located.
- Brand image
- Rate of interest policies
- Changes in laws and regulations that apply to Hotel Industry in domestic market.

### Discussion on Results of Operation

The following discussion on results of operations should be read in conjunction with the restated financial statements for the financial years ended March 31, 2018, 2017, 2016 and 2015.

### Overview of Revenue & Expenditure

#### Revenues

##### *Income from operations:*

Our company derives revenue primarily from hospitality and allied services

##### *Other Income:*

Our other income mainly includes interest income on FD, Profit on sale of fixed assets, write back of certain balances and miscellaneous income.

*Amount (Rs. In Lakhs)*

Particulars	For the financial year ended March 31			
	2018	2017	2016	2015
<b>Income</b>				
Revenue from Operations	410.96	307.01	183.43	158.42
As a % of Total Revenue	98.77%	98.99%	97.40%	82.04%
Other Income	5.10	3.12	4.89	34.67
As a % of Total Revenue	1.23%	1.01%	2.60%	17.96%
<b>Total Revenue</b>	<b>416.06</b>	<b>310.13</b>	<b>188.32</b>	<b>193.10</b>

#### Expenditure

Our total expenditure primarily consists of direct expenditure i.e. purchase of Food & Beverages and Consumables and changes in inventories of Food & Beverages and Consumables, employee benefit expenses, finance costs, depreciation and other expenses.

#### Direct Expenditure

Our direct expenditure includes purchase of Food & Beverages and other consumables and change in inventory of Food & Beverages and Consumables.

#### Employee benefits expense

## Mac Hotels Limited



Our employee benefits expense primarily comprises of salary and wages, contribution to provident & other funds, gratuity expenses and staff welfare expenses.

### Finance Costs

Our finance costs mainly include interest on loan from bank and other borrowing costs.

### Depreciation

Depreciation includes depreciation on tangible assets such as Building, Plant & Machinery, Furniture & Fixtures, etc. and amortization of intangible assets

### Other Expenses

Other expenses mainly include Selling & Administration expenses such as advertising and publicity, discounts, housekeeping, linen, uniform & laundry, hotel maintenance, rent, commission and brokerage, power and fuel, legal & professional fees etc.

### Statement of profits and loss

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue:

Amount (Rs. In Lakhs)

Particulars	For the year ended March 31,			
	2018	2017	2016	2015
<b>INCOME</b>				
Revenue from Operations	410.96	307.01	183.43	158.42
As a % of Total Income	98.77%	98.99%	97.40%	82.04%
Other Income	5.10	3.12	4.89	34.67
As a % of Total Income	1.23%	1.01%	2.60%	17.96%
<b>Total Income (A)</b>	<b>416.06</b>	<b>310.13</b>	<b>188.32</b>	<b>193.10</b>
<b>Variance/growth</b>	<b>N.A.</b>	<b>64.68%</b>	<b>(2.48) %</b>	<b>36.22%</b>
<b>EXPENDITURE</b>				
Purchase of Food & Beverages and Consumables	44.73	53.16	39.00	27.79
As % of Total Income	10.75%	17.14%	20.71%	14.39%
Changes in Inventories of Food & Beverages and Consumables	0.29	(0.22)	0.29	5.67
As a % of Total Income	0.07%	(0.07) %	0.15%	2.94%
Employee benefit expenses	17.96	15.09	18.63	19.08
As a % of Total Income	4.32%	4.86%	9.89%	9.88%
Finance costs	25.20	20.72	17.87	13.31
As a % of Total Income	6.06%	6.68%	9.49%	6.89%
Depreciation and amortisation expense	40.53	19.86	23.48	21.32
As a % of Total Income	9.74%	6.40%	12.47%	11.04%
Other Expenses	232.18	181.56	80.56	98.30
As a % of Total Income	55.80%	58.54%	42.78%	50.91%
<b>Total Expenses (B)</b>	<b>360.89</b>	<b>290.17</b>	<b>179.83</b>	<b>185.48</b>
As a % of Total Income	86.74%	93.56%	95.49%	96.05%
<b>Profit before extraordinary items and tax</b>	<b>55.17</b>	<b>19.96</b>	<b>8.49</b>	<b>7.61</b>
<b>Prior period items (Net)</b>	-	-	-	-
<b>Profit before exceptional, extraordinary items and tax (A-B)</b>	<b>55.17</b>	<b>19.96</b>	<b>8.49</b>	<b>7.61</b>
<b>Less - Exceptional items</b>	-	-	-	-
<b>Profit before extraordinary items and tax</b>	<b>55.17</b>	<b>19.96</b>	<b>8.49</b>	<b>7.61</b>
As a % of Total Income	13.26%	6.43%	4.51%	3.94%
Extraordinary items	-	-	-	-
<b>Profit before tax</b>	<b>55.17</b>	<b>19.96</b>	<b>8.49</b>	<b>7.61</b>
As a % of Total Income	13.26%	6.43%	4.51%	3.94%
Tax expense:				
(i) Current tax	12.11	3.80	1.62	1.45



Particulars	For the year ended March 31,			
	2018	2017	2016	2015
(ii) Deferred tax	2.30	4.76	(1.05)	(1.14)
(iii) MAT Credit Entitlement	-	(1.65)	(0.50)	(1.45)
<b>Total Tax Expense</b>	<b>14.41</b>	<b>4.76</b>	<b>(1.05)</b>	<b>(1.14)</b>
<b>Profit for the year</b>	<b>40.76</b>	<b>13.05</b>	<b>8.43</b>	<b>8.76</b>
PAT Margin	9.80%	4.21%	4.48%	4.54%

## COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2018 WITH FINANCIAL YEAR ENDED MARCH 31, 2017

### INCOME

#### Income from Operations

(Rs. In lakhs)

Particulars	2017-18	2016-17	Variance in %
Revenue from Operation	410.96	307.01	33.86%

The Revenue from Operations of the Company for the year ending March 31, 2018 is Rs. 410.96 lakhs as compared to Rs. 307.01 lakhs for the year ending March 31, 2017, showing an increase of 33.86%. The increase was mainly due to increase in revenue from room rental and sale of food and beverages.

#### Other Income

Our other income increased by 63.46% to Rs. 5.10 lakhs in FY 2017-18 from Rs. 3.12 lakhs in FY 2016-17. The increase was mainly due to sundry balance written off.

### EXPENDITURE

#### Direct Expenditure

(Rs. In lakhs)

Particulars	2017-18	2016-17	Variance in %
Purchase of Food & Beverages and Consumables	44.73	53.16	(15.86) %
Changes in Inventories of Food & Beverages and Consumables	0.29	(0.22)	(231.82) %
<b>Total</b>	<b>45.02</b>	<b>52.94</b>	<b>(14.96) %</b>

Our direct expenditure has decreased from Rs.52.94 lakhs in Financial Year 2016-17 to Rs.45.02 lakhs in Financial Year 2017-2018 showing a decrease of 14.96% over the previous year.

#### Administrative and Employee Costs

(Rs. In lakhs)

Particulars	2017-18	2016-17	Variance in %
Employee Benefit Expenses	17.96	15.09	19.02%
Other Expenses	232.18	181.56	27.88%

Our Employee benefit expenses increased to Rs. 17.96 lakhs in financial year 2017-18 from Rs. 15.09 Lakhs in financial year 2016-17 due to increase in payment to employees during the FY 2017-18.

Our other expenses increased by 27.88% from Rs.181.56 lakhs in financial year 2016-17 to Rs.232.18 lakhs in financial year 2017-18. The increase was mainly due to increase in commission and brokerage expenses, royalty fees, interest and damages, packing expenses, etc.

#### Finance Costs

Our finance costs have increased from Rs. 20.72 lakhs in financial year 2016-17 to Rs. 25.20 lakhs in financial year 2017-18. This shows an increase of 21.62% from previous financial year. This was on account of increase in interest on loan from banks.

#### Depreciation

Depreciation expense for the Financial Year 2017-2018 has increased to Rs. 40.53 lakhs from Rs. 19.86 lakhs in the Financial Year 2016-2017 showing an increase of 104.08%.

#### Profit before Tax

(Rs. In lakhs)



Particulars	2017-18	2016-17	Variance in %
Profit Before Tax	55.17	19.96	176.40%

Profit before tax increased from Rs. 19.96 lakhs in financial year 2016-17 to Rs. 55.17 lakhs in financial year 2017-18. The increase was due to increase in revenue from room rentals and allied services provided by our company.

#### Provision for Tax and Net Profit

(Rs. In lakhs)

Particulars	2017-18	2016-17	Variance in %
Taxation Expenses	14.41	6.91	108.54%
Profit after Tax	40.76	13.05	212.34%

Our profit after tax increased from Rs. 13.05 lakhs in Financial Year 2016-17 to Rs. 40.76 lakhs in Financial Year 2017-18 showing an increase of 212.34%.

### COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2017 WITH FINANCIAL YEAR ENDED MARCH 31, 2016

#### INCOME

##### Income from Operations

(Rs. In lakhs)

Particulars	2016-17	2015-16	Variance in %
Revenue from Operation	307.01	183.43	67.37%

The Revenue from Operations of the Company for the year ending March 31, 2017 is Rs. 307.01 lakhs as compared to Rs. 183.43 lakhs for the year ending March 31, 2016, showing an increase of 67.37%. The increase was mainly due to increase in revenue from room rental and sale of food and beverages.

##### Other Income

Our other income decreased by 36.18% to Rs. 3.12 lakhs in FY 2016-17 from Rs. 4.89 lakhs in FY 2015-16. The decrease was mainly due to receipt of one-time forfeiture income of Rs.1.80 lakhs in financial year 2015-16.

#### EXPENDITURE

##### Direct Expenditure

(Rs. In lakhs)

Particulars	2016-17	2015-16	Variance in %
Purchase of Food & Beverages and Consumables	53.16	39.00	36.31%
Changes in Inventories of Food & Beverages and Consumables	(0.22)	0.29	(175.00) %
<b>Total</b>	<b>52.94</b>	<b>39.29</b>	<b>34.76%</b>

Our direct expenditure has increased from Rs.39.29 lakhs in Financial Year 2015-16 to Rs.52.94 lakhs in Financial Year 2016-2017 showing an increase of 34.76% over the previous year. The increase was in line with the increase in our business operations.

##### Administrative and Employee Costs

(Rs. In lakhs)

Particulars	2016-17	2015-16	Variance in %
Employee Benefit Expenses	15.09	18.63	(19.00) %
Other Expenses	181.56	80.56	125.38%

Our Employee benefit expenses decreased to Rs. 15.09 lakhs in financial year 2016-17 from Rs. 18.63 Lakhs in financial year 2015-16 due to decrease in number of employees during the FY 2016-17.

Our other expenses increased by 125.38% from Rs.80.56 lakhs in financial year 2015-16 to Rs.181.56 lakhs in financial year 2016-17. The increase was mainly due to increase in advertisement and publicity expenses, discount expenses, linen, uniform and laundry expenses, rent expenses, commission and brokerage expenses, fees, dues and tax expenses, professional and legal charges, etc.

##### Finance Costs

## Mac Hotels Limited



Our finance costs have increased from Rs. 17.87 lakhs in financial year 2015-16 to Rs. 20.72 lakhs in financial year 2016-17. This shows an increase of 15.92% from previous financial year. This was on account of increase in interest on loan from banks.

### Depreciation

Depreciation expense for the Financial Year 2016-2017 has decreased to Rs. 19.86 lakhs from Rs. 23.48 lakhs in the Financial Year 2015-2016 showing a decrease of 18.23%.

### Profit before Tax

(Rs. In lakhs)

Particulars	2016-17	2015-16	Variance in %
Profit Before Tax	19.96	8.49	135%

Profit before tax increased from Rs. 8.49 lakhs in financial year 2015-16 to Rs. 19.96 lakhs in financial year 2016-17. The increase was due to increase in revenue from room rentals and allied services provided by our company.

### Provision for Tax and Net Profit

(Rs. In lakhs)

Particulars	2016-17	2015-16	Variance in %
Taxation Expenses	6.91	0.06	(11,416.67) %
Profit after Tax	13.05	8.43	54.80%

Our profit after tax increased from Rs. 8.43 lakhs in Financial Year 2015-16 to Rs. 13.05 lakhs in Financial Year 2016-17 showing an increase of 54.80%.

## COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2016 WITH FINANCIAL YEAR ENDED MARCH 31, 2015

### INCOME

#### Revenue from Operations

(Rs. in lakhs)

Particulars	2015-16	2014-15	Variance in %
Revenue from Operations	183.43	158.42	15.79%

The operating income of the Company for the financial year 2015-2016 was Rs. 183.43 lakhs as compared to Rs. 158.42 lakhs for the financial year 2014-2015 showing an increase of 15.79%. This increase was mainly due to increase in our business operations.

#### Other Income

Our other income of the Company for the financial year 2014-2015 was Rs. 34.67 lakhs which decreased to Rs. 4.89 lakhs during the financial year 2015-16 due to writing back of Sundry Balances of Rs. 33.19 lakhs in FY 2014-15.

### EXPENDITURE

#### Direct Expenditure

##### Cost of materials consumed

(Rs. in lakhs)

Particulars	2015-16	2014-15	Variance in %
Purchase of Food & Beverages and Consumables	39.00	27.79	40.33%
Increase / decrease in Inventories of Food & Beverages and Consumables	0.29	5.67	(94.92) %
<b>Total</b>	<b>39.29</b>	<b>33.46</b>	<b>17.42%</b>

The direct expenditure decreased from Rs. 33.46 lakhs in financial year 2014-15 to Rs. 39.29 lakhs in financial year 2015-16 showing an increase of 17.42% over the previous year. The increase was in line with the increase in our business operations.

#### Administrative and Employee Costs

(Rs. in lakhs)





Particulars	2015-16	2014-15	Variance in %
Employee Benefit Expenses	18.63	19.08	(2.39) %
Other expenses	80.56	98.30	(18.05) %

Employee benefit expenses decreased from Rs. 19.08 lakhs in financial year 2014-15 to Rs. 18.63 lakhs in financial year 2015-16. The decrease was mainly due to decrease in staff welfare expenses and number of employees.

Our other expenses decreased by 18.05% from Rs. 98.30 lakhs in financial year 2014-15 to Rs. 80.56 lakhs in financial year 2015-16. The decrease was mainly due to decrease in repair & maintenance expenses, sales promotion expenses, housekeeping expenses, fees, dues & taxes, etc.

#### Finance Costs

The finance costs increased from Rs. 13.31 lakhs in FY 2014-15 to Rs. 17.87 lakhs in the financial year 2015-16. The increase was due to increase in interest on loan from bank and other borrowing costs.

#### Depreciation

Depreciation for the financial year 2015-16 has increased to Rs. 23.48 lakhs from Rs. 21.32 lakhs in the financial year 2014-15.

#### Profit before Tax

Our profit before tax increased from Rs. 7.61 lakhs in Financial Year 2014-15 to Rs. 8.49 lakhs in Financial Year 2015-16. The increase was due to increase in our business operations.

#### Provision for Tax and Net Profit

(Rs. in lakhs)

Particulars	2015-16	2014-15	Variance in %
Taxation Expenses	0.06	(1.14)	(105.26) %
Profit after Tax	8.43	8.76	(3.77) %

Due to the factors mentioned above our profit after tax decreased to Rs. 8.43 lakhs in the financial year 2015-16 from Rs. 8.76 lakhs in the financial year 2014-15.

#### 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 14 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 14 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, government policies, global market situation and prices of our material.

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

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

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



The Company is operating in Hospitality industry. Relevant industry data, as available, has been included in the chapter titled “*Our Industry*” beginning on page 71 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. For details of our products please refer to the chapter titled “*Our Business*” beginning on page 71 of this Prospectus.

**8. The extent to which the business is seasonal**

Our Company’s business is seasonal in nature.

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

The % of contribution of our Company’s customer and supplier Vis a Vis the total revenue from operations and purchase respectively as March 31, 2017 is as follows:

	Customers		Suppliers	
	Financial year ended March 31, 2018	Financial year ended March 31, 2017	Financial year ended March 31, 2018	Financial year ended March 31, 2017
Top 5 (%)	90.44	90.82	93.31	62.04
Top 10 (%)	99.82	97.35	98.17	77.72

**10. Competitive Conditions**

We face competition from existing and potential organised and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “*Our Business*” on page 105 of this Prospectus.

**CHANGES IN ACCOUNTING POLICIES IN LAST THREE YEARS**

There is no change in accounting policy in the last 3 years. For further details, please refer to chapter titled “*Financial Statement as Restated*” beginning on page 156 of this Prospectus.



## STATEMENT OF 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 the date of Prospectus together with a brief description of certain significant terms of such financing arrangements.

## SECURED LOAN

1. Loan of Rs. 72.00 lakhs sanctioned by The Shamrao Vithal Co Operative Bank Limited as per latest sanction letter dated May 20, 2015.

(Rs.in Lakhs)

Nature of Facility	Limit	Interest	Tenure / Period	Margin	Primary Security	Outstanding amount as on March 31, 2018
<b>Fund Based Limits</b>						
Term Loan	22.00	PLR - 4.50% i.e. 13.00% p.a.	84 monthly instalments	25%	Hypothecation of furniture fixtures & fixed assets of the company.	15.04
Term Loan (Asset Finance)	50.00	PLR - 4.50% i.e. 13.00% p.a.	84 monthly instalments	40%	Plot No. 25 admeasuring 285 sq. meters, survey office Panaji sheet 146 & 147 situated at Nomoxin caranzalem Goa & Building thereon comprises Ground & First floor admeasuring 220.98 sq. meters owned by Mr Edgar Maximiano Do Rosario Cotta & Mrs Yuka Cotta.	35.44
<b>Non-Fund Based Limits</b>						
N.A.						
<b>Total</b>	<b>72.00</b>					
<b>Security:</b>						
<b>Collateral Security:</b>						
<ul style="list-style-type: none"> <li>Plot No. 25 admeasuring 285 sq. meters, survey office Panaji sheet 146 &amp; 147 situated at Nomoxin Caranzalem Goa &amp; Building thereon comprises Ground &amp; First floor admeasuring 220.98 sq. meters owned by Mr Edgar Maximiano Do Rosario Cotta &amp; Mrs Yuka Cotta.</li> </ul>						
<b>Personal Guarantee:</b>						
<ul style="list-style-type: none"> <li>Mr Edwin Cotta</li> <li>Mr Edgar Maximiano Do Rosario Cotta</li> <li>Mrs Yuka Cotta</li> <li>Alfred Cotta</li> <li>Schubert Cotta</li> </ul>						

## Key Restrictive Covenants:

- The company should become a member of the bank and hold minimum 25 shares of our Bank.
- Non-compliance of any covenants of sanction for any reason whatsoever will attract penal charge @ 2.00% p.a. (exclusive of service tax/ cess if applicable) on the sanctioned limits or outstanding balance whichever is higher.
- Pre-mature closure/ Pre-payment of the loan/ credit facility any time during the currency of the advance will attract penalty charges @ 3.00% on the outstanding balance in case of Term Loans and on the

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sanctioned limit or the outstanding balance whichever is higher in case of other credit facilities at the time of take over.

**2. Loan of Rs. 5.40 lakhs sanctioned by Bank of India as per latest sanction letter dated May 15, 2015.**

*(Rs.in Lakhs)*

Nature of Facility	Limit	Interest	Tenure / Period	Primary Security	Outstanding amount as on March 31, 2018
<b>Fund Based Limits</b>					
Term Loan	5.40	4.15% above base rate presently 14.10% p.a. (floating)	83 EMI	Hypothecation of the Diesel Generator set purchased out of the bank finance.	3.84
<b>Non-Fund Based Limits</b>					
N.A.					
<b>Total</b>	<b>5.40</b>				
<b>Security:</b>					
<b>Collateral Security:</b> NIL					
<b>Personal Guarantee:</b>					
<ul style="list-style-type: none"> <li>• Mr Edwin Cotta</li> <li>• Mr Edgar Maximiano Do Rosario Cotta</li> </ul>					

**3. Loan of Rs. 9.00 lakhs sanctioned by Bank of India as per latest sanction letter dated January 31, 2013.**

*(Rs.in Lakhs)*

Nature of Facility	Limit	Interest	Tenure / Period	Primary Security	Outstanding amount as on March 31, 2018
<b>Fund Based Limits</b>					
Term Loan	9.00	4.00% above base rate presently 14.50% p.a. (floating)	84 EMI	EQM of flat no. MBS 2 admeasuring 32.00 sq. meter second floor in building MB Block or "B" Block or Main Building Block in the Project Park Avenue	3.49
<b>Non-Fund Based Limits</b>					
N.A.					
<b>Total</b>	<b>9.00</b>				
<b>Security:</b>					
<b>Collateral Security:</b> NIL					
<b>Personal Guarantee:</b>					
<ul style="list-style-type: none"> <li>• Mr Edwin Cotta</li> <li>• Mr Edgar Maximiano Do Rosario Cotta</li> </ul>					

**4. Loan of Rs. 170.00 lakhs sanctioned by Citizen Credit Co Operative Bank Limited as per latest sanction letter dated September 29, 2016.**

*(Rs.in Lakhs)*



Nature of Facility	Limit	Interest	Tenure / Period	Security	Outstanding amount as on March 31, 2018
<b>Fund Based Limits</b>					
Term Loan - I	42.00	12.25% p.a.	84 equals monthly instalments	<ul style="list-style-type: none"> <li>Equitable Mortgage of 8 units – HTI (JT1), OG2, OG1, LT2 (NT2), LT1 (NT1), HT2 (JT2), AF2 (BF2) and AF (BF1) at village Royale, Calangute, Goa, Owned by M/s Mac Hotels Pvt Ltd</li> <li>Equitable Mortgage of 4 units at Park Avenue, Calangute, Goa, Unit No. MBT1 &amp; MBT2 (Owned by Edgar Maximiano Do Rosario Cotta and Lizette Cotta) and Unit No. MBT3 &amp; MBT4 (Owned by Edwin Cotta and Yuka Cotta)</li> <li>Hypothecation of Equipment, Plant and Machinery</li> </ul>	35.30
Term Loan - II	18.00				14.26
Term Loan	17.00	12.00% p.a.	72 equals monthly instalments	<ul style="list-style-type: none"> <li>8 Units – HT1(JT1), OG2, OG1, LT2(NT2), LT1(NT1), HT2(JT2), AF2(BF2) and AF1(BF1) at Village Royale, Calangute, Goa</li> <li>4 Units – MBT1, MBT2, MBT3, MBT4 at Park Avenue, Calangute, Goa</li> <li>2 Shops – MBGS12, MBGS8 and 4 Units – MBT5, MBT6, MBT7, MBT8, Park Avenue, Calangute, Goa</li> </ul>	Repaid
Term Loan	50.62				Repaid
Term Loan	22.52				Repaid
Term Loan	19.86				Repaid
Term Loan	3.19	12.50%p.a.	60 equals monthly instalments	<ul style="list-style-type: none"> <li>Hypothecation of backup ups &amp; Battery Banks</li> <li>Extent of mortgage of unit A1G3, Park Avenue, Calangute</li> <li>Personal Guarantee of Directors Mr. Edwin Cotta &amp; Mr. Edger Cotta</li> </ul>	Repaid
<b>Non-Fund Based Limits</b>					
N.A.					
<b>Total</b>	<b>170.00</b>				
<b>Personal Guarantee:</b>					
<ul style="list-style-type: none"> <li>Mr Edwin Cotta</li> <li>Mr Edgar Maximiano Do Rosario Cotta</li> <li>Mrs Yuka Cotta</li> </ul>					



Nature of Facility	Limit	Interest	Tenure / Period	Security	Outstanding amount as on March 31, 2018
<ul style="list-style-type: none"> <li>Ms Lizette Cotta</li> </ul>					

5. Loan of Rs. 90.00 lakhs by Citizen Credit Cooperative Bank Ltd. as per latest sanction letter dated January 03, 2018

(Rs.in Lakhs)

Nature of Facility	Limit	Interest	Tenure / Period	Security	Outstanding amount as on March 31, 2018
Term Loan	90.00	10.75% p.a.	84 equals monthly instalments	<p>1. Equitable Mortgage of 8 Units-HTI (JT1), OG2, OG1, LT2 (NT2), LTI (NT1), HT2 (JT2), AF2 (BF2) and AF1 (BF1) at Village Royale, Calangute Goa, M.V. Rs. 1.26 crores as per valuation report dated 01.09.2016 from Mr. S. N. Bhobe. Owned by M/s. Mac Hotels Ltd. (Also held as security for LN-605-70032, 605-70033, 605-70036, 605-7 and 605-8).</p> <p>2. Equitable Mortgage of Shop No. MBGS12, Park Avenue, Calangute, Bardez, Goa, Area 50 sq. mts. M.V. Rs. 80.00 lakhs as per telephonic confirmation from Mr. S. N. Bhobe, Owned by M/s. Mac Hotels Ltd.</p>	88.55
<b>Total</b>	<b>90.00</b>				
<b>Joint and several guarantee:</b>					
<ul style="list-style-type: none"> <li>Directors in their personal capacity <ul style="list-style-type: none"> <li>i. Mr. Edwin Cotta</li> <li>ii. Mr. Edgar Cotta</li> </ul> </li> <li>Corporate Guarantee of M/s. Hotel Mirammar Comfort Pvt. Ltd.</li> </ul>					

6. Loan of Rs. 11.00 lakhs sanctioned by Union Bank of India as per latest sanction letter dated September 05, 2015.

Nature of Facility	Limit	Interest	Tenure / Period	Security	Outstanding amount as on March 31, 2018
Term Loan	11.00	12.75% p.a.	120 equal monthly instalments	Equitable Mortgage of property situated at A1S1 Umtawado, Calangute Bardez, Calangute – 403001, Goa owned by Edwin Cotta and Edgar	8.26

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Nature of Facility	Limit	Interest	Tenure / Period	Security	Outstanding amount as on March 31, 2018
				Maximiano Do Rosario Cotta	
<b>Total</b>	<b>11.00</b>				





## SECTION VII: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal litigation involving our Company, Directors, Promoter, Subsidiaries or Group Companies; (ii) actions taken by any statutory or regulatory authorities against our Company, Directors, Promoter, Subsidiaries or Group Companies; or (iii) claim involving our Company, Directors, Promoter, Subsidiaries or Group Companies for any direct or indirect tax liabilities, respectively, on a consolidated basis.*

*Further, except as stated in this section, there are no (i) outstanding proceedings initiated for economic offences against our Company; (ii) pending defaults or non-payment of statutory dues by our Company; (iii) material fraud against our Company in the last five years immediately preceding the date of this Prospectus; (iv) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company or Subsidiaries during the last five years immediately preceding the year of this Prospectus; (v) prosecutions filed (whether pending or not); compounding of offences or fines imposed under the Companies Act against our Company and Subsidiaries, in the last five years immediately preceding the year of this Prospectus; (vi) litigation or legal action, pending or taken, against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding this Prospectus; (vii) other pending litigations involving our Company, Directors, Promoter, Subsidiaries or Group Companies or any other person, as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations; or (viii) outstanding dues to creditors of our Company as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations; and (ix) outstanding dues to small scale undertakings and other creditors; and (x) over dues or defaults to banks or financial institutions by our Company.*

*With respect to point (vii) above, the securities issuance committee of our Board, in its meeting held on January 19, 2018, has adopted a policy for identification of material legal proceedings (“Materiality Policy”). For the purposes of disclosure, pursuant to the SEBI ICDR Regulations and the Materiality Policy, (i) all pending litigation involving our Company, Directors, Promoter, Subsidiaries, and Group Companies, other than criminal proceedings and statutory or regulatory actions, would be considered ‘material’ if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of ₹ 5 Lakhs or (ii) pending proceedings involving the abovementioned persons whose outcome may have a bearing on the business, operations or prospects or reputation of our Company, are considered ‘material’, and disclosed in this Prospectus.*

*It is clarified that for the purposes of the above, pre-litigation notices (other than notices involving actions by statutory or regulatory authorities) received by our Company, Directors, Promoter, Subsidiaries and the Group Companies shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company or any of our Subsidiaries, Directors, Promoter and our Group Companies, as the case may be, is impaled as a defendant in litigation proceedings before any judicial forum.*

*Further, with respect to point (viii) above, our Board, in its meeting held on January 19, 2018 determined that outstanding dues to creditors in excess of ₹2 Lakhs of our Company’s trade payables, being outstanding as per our Restated Financial Statements for the year ended March 31, 2018, shall be considered as material dues (“Material Dues”). Details of outstanding dues to creditors including small scale undertakings as required under the SEBI ICDR Regulations have been disclosed on our website at [www.machotels.net](http://www.machotels.net).*

*Unless stated to the contrary, the information provided in this section is as of the date of this Prospectus. All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.*

#### LITIGATIONS INVOLVING OUR COMPANY

#### LITIGATIONS AGAINST OUR COMPANY

##### Criminal Litigations

Nil

##### Civil Proceedings



**Mac Hotels Limited**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Proceedings against Our Company for economic offences/securities laws/ or any other law**

Nil

**Penalties in Last Five Years**

Nil

**Pending Notices against our Company**

Nil

**Past Notices to our Company**

Nil

**Disciplinary Actions taken by SEBI or stock exchanges against Our Company**

Nil

**Defaults including non-payment or statutory dues to banks or financial institutions**

Nil

**Details of material frauds against the Company in last five years and action taken by the Companies.**

Nil

**LITIGATIONS FILED BY OUR COMPANY**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law**

Nil

**LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY**

**LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY**

**Criminal Litigations**

Nil

**Civil Proceedings**

**1. MARTUZINHA FERNANDES E FIGUEIREDO & 2 OTHERS V. INGRIDA REBELLO AND 82 OTHERS**



The property called 'Vagorna' is situated in the village Xeldem bearing land registration number 3288 of book no. 11, new series was surveyed under no 152/1,2,2(b),4,4(b),157 sub division 1 to 29,160/2,161/1,48,162/1 to 50,163/1 to 9 164/1 to 40, 165/1 and part of 167/1 and 4 in the plan of survey, sub division 4 of 167 is shown (hereinafter referred to as the "**Property**"). Survey no. 4 is not found either in index of land under form I and XIV nor form III. The Property bounded on east, paddy field belongs to late Issac D'souza; on west to north belongs to Late Ambahji Desai and Narayan Gaun Desai; and on south belongs to Soiru Sinay Cuncolekar. The compensation of Rs. 1,259/- was paid for the acquired portion of land. The suit is filed in the court of additional district judge ("**District Court**") bearing case no. 94 of 1981 for adjudication, as there are multiple claimants. The District Court passed judgement dated April 17, 1998. The entire compensation is award in respect of plot no. 9 of 478 square meters be paid to legal representative of Joao de Deus Rebello, and legal representative of late Amaro rebello and annuciado Rebello in proportion of 1/3<sup>rd</sup> each.

The property belongs to Plaintiffs and Defendants. The partition is affected among the co-owners. The Plaintiff are the heir of Late Jaao Baptista Figueiredo. The Defendants are the heir of Pedro Fernandes and Foty Chandru. The share of property are as follows. 6.5 out of 24 belongs to Plaintiff, 8.5 out of 24 belongs to Pedro Fernandes and Luizine Fernandes, and remaining land belongs to other Defendants. Martuzinha Fernandes e Figueiredo (hereinafter referred to as the "**Plaintiff – I**") and Jerry Figueiredo (hereinafter referred to as the "**Plaintiff – II**") upon survey found that mutation have been done in respect of 160/2 and name of Jooa De Deus Rebelo and Amarao Rebelo were entered. The Defendant's claim was on the basis of permanent lease in favour of Antonio Rebello. The order for lease is of nullity and not binding on Plaintiffs because the defendant neither has right to suit the land surveyed under 160/2 nor did the Defendant gave land on lease. The Plaintiff claims that Xeldem has allegedly granted permanent lease. The Plaintiff claims that permanent lease of land granted by Defendant requires to be cancelled as said land belongs to comunidade of Xeldem. The Plaintiff claims permanent injunction restraining Defendant to interfere in any manner with the suit land. The property survey no 160/2 was acquired by government for the purpose of construction of Tillamola –Assolda road. Plaintiff - I, Plaintiff – II and Constancio Figueiredo (hereinafter referred to as the "**Plaintiff – III**") filed a regular civil suit dated February 03, 2000 having number 15/2010/B under Order 6 Rule 17 of the Civil Procedure Code for amendment of written statement dated October 16, 2017 before the Court of Civil Judge Junior Division at Quepem (hereinafter referred to as the "**Trial Court**") against Ingrida Rebello (hereinafter referred to as the "**Defendant – 10**") along with 82 other defendants. The Civil Court passed an Order dated November 20, 2017 allowing amendment of the written statement filed to the plaint. The Plaintiffs filed a special civil suit number 3/2000/A(old) dated November 06, 2017 under Order 6 Rule 17 read with Order 8 Rule 1 of the Civil Procedure Code before the Trial Court for permanent injunction, correction of survey records and other consequential relief against Defendant no. 18 and 19 on the ground that Plaintiffs are co-owners of the suit property. As per 'Litigation filed by Director of our Company – Civil Proceedings' the High Court of Goa passed an interim relief order dated February 28, 2018 granting stay on the proceedings pending before the Trial Court. The matter in the special civil suit is currently pending.

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

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

**LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY**

**Criminal Litigations**

Nil

**Civil Proceedings**

**1. MRS. INGRID COTTA & ORS V.S MR. PEDRO FERNANDES**

## **Mac Hotels Limited**



Mrs Ingrid Cotta (hereinafter referred to as the “**Petitioner**”) filed writ of certiorari against Mr. Pedro Fernandes (hereinafter referred to as “**Respondent**”) dated February 05, 2018 in the High Court of Bombay at Goa (hereinafter referred to as the “**High Court**”). The Respondent filed an application for amendment of written statement on October 10, 2017 in suit no. 15/2010/b in court of Civil Judge Junior Division at Quepem (“**Trial Court**”). The Trial Court passed an order dated November 20, 2017 allowing amendment to the said application. Being aggrieved by the order of the Trial Court, the Petitioner filed Writ of Certiorari under Article 226 and Article 227 of the Constitution of India to quash and set aside the order dated November 20, 2017. The Petitioner has requested to stay the proceedings of the Trial Court pending the hearing and disposal of this petition. The High Court passed an interim relief order dated February 28, 2018 granting stay on the proceedings pending before the Trial Court. The matter is currently pending.

### **Taxation Matters**

Nil

### **Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

## **LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY**

### **LITIGATIONS AGAINST OUR PROMOTER/S**

#### **Criminal Litigations**

Nil

#### **Civil Proceedings**

##### **1. NEW ASIAN CONSTRUCTION COMPANY V. EDWIN COTTA AND OTHERS**

A property comprising of two plots bearing number 20 and 21 admeasuring 1374 square meters of immovable property described under land registration number 2254 was surveyed under chalta number 2 of PT sheet number 146 (hereinafter referred to as the “**Property**”). The entire property was owned by Jose Francisco Fermino Cotta Menezes and Jose Jeronimo Eustaquio de Nazare Cotta e Menezes. It was partitioned by deed of partition dated December 04, 1970 and divided into two parts namely part A admeasuring 24,000 square meters which was allotted to Jose Jeronimo Menezes and the remaining area under Part B was allotted to Jose Francisco Menezes. Edwin Cotta (hereinafter referred to as “**Respondent – I**”) is one of the parties to the Mortgage Deed dated March 29, 1996, wherein the Property of the Respondent – I and other family members came to be mortgage for a loan of Rs. 75,00,000/- obtained from Mapus Urban Co-operative Bank of Goa Limited (hereinafter referred to as “**Respondent – II**”). Francis Emidio Fernandes (hereinafter referred to as “**Respondent – IV**”) claims to have mundcarial right in plot no. 21. The Respondent - IV filed a civil suit number 43/2006 on May 22, 2006 in the District Court North Goa at Panaji (hereinafter referred to as the “**District Court**”). The plot number 20 and 21 of the property had been mortgaged with Respondent - II under Mortgage Deed dated March 29, 2006. The mortgaged property was purchased for Rs. 1,90,00,000/-. Though the auction sale certificate shows that Plot no. 20 and 21 are in chalta no. 147, it is undisputed that they belong to chalta no. 146. The District Court passed an order dated May 02, 2009 and disposed of the matter. The order declared the following:

- a) the mortgage deed dated March 29, 2006 as null and void,
- b) make a declaration that all the proceedings including the auction held on April 25, 2007 is null and void as the same do not in any manner relate to the suit property bearing chalta no. 2 PT sheet 146 wherein the property is situated
- c) an order of permanent injunction restraining the defendants, their servants, agents or other persons acting under or through them in any manner whatsoever interfering or dealing or transacting with suit property.

Neither Respondent – I nor Respondent – IV challenged the said order and hence the judgment and order has attained finality. The Applicant has filed an appeal number 225/2009 against the order before the High Court of Bombay at Panaji, which has been admitted and is pending adjudication. The New Asian Construction Company (hereinafter referred to as the “**Applicant**”) filed a civil suit no. 103/2014/D before Court of Civil Judge, Junior Division at Panaji (hereinafter referred to as the “**Civil Court**”). The Civil Court has passed an order in civil suit number 43/2006 dated December 21, 2015 as follows:

- i) It allowed the application for temporary injunction filed by Respondent – I,
- ii) Respondent – I and Respondent – II are restrained from creating further documents

The Applicant filed an appeal against the order dated December 21, 2015 in the civil suit number 43/2006 in the District Court, North Goa at Panji. The Applicant has filed a civil miscellaneous application number 83/2016 for condonation



of delay of fifty days before the District Court. The District Court has passed an order to issue notice in Civil Miscellaneous Application Number 83/2016 to appear before the Court. The matter is currently pending.

**2. EDWIN E. COTTA V. MAPUSA URBAN CO-OPERATIVE BANK OF GOA LIMITED & OTHERS**

Mr. Edwin Cotta (hereinafter referred to as the “**Promoter-Director**”) has filed a civil suit number 103/2014/D before the Court of Civil Judge, Junior Division at Panaji (hereinafter referred to as the “**Civil Court**”) against Mapusa Urban Co-operative Bank of Goa Limited & Others (hereinafter referred to as the “**Defendant – I**” and collectively as “**Defendants**”). The Plaintiff has a property comprising of two plots bearing number 20 and 21 admeasuring 1374 sq. mtrs. of immovable property described under land registration number 2254 and surveyed under chalta number 02 of PT sheet number 146 (hereinafter referred to as the “**Suit Property**”). Entire Property was owned by Jose Francisco Fermino Cotta Menezes and Jose Jeronimo Eustaquio de Nazare Cotta e Menezes and the same was partitioned by deed of partition dated December 04, 1970 and divided into two parts namely part A admeasuring 24,000 square meters which was allotted to Jose Jeronimo Menezes and the remaining area under Part B was allotted to Jose Francisco Menezes. Upon death of Jose Jeronimo on September 23, 1985 the property under lote A devolved upon his widow Bernardete Cotta and their children. The Defendant -I deed of mortgage dated September 23, 1996 mortgaged plot number 20 and 21 admeasuring 1693 sq. mtrs surveyed under chalta no. 1 PT sheet no. 147 which mortgage deed was executed by the owners, the Plaintiff as the borrower, Alfredo Cotta and Skoda Cotta as the sureties and the Defendant - I as the mortgagee. The Defendant – I could not clear the disbursement of loan and hence a civil suit in the Court of Assistant Registrar of Co-operative Societies against Plaintiff and the sureties. An ex-parte order was passed on May 18, 2000. Defendant – I issued proclamation for sale dated May 21, 2004 and then issued notice dated November 02, 2005 under Section 13 (2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (“**SARFAESI**”) Act for sale in auction of Suit Property. Subsequent proclamation and public notices on herald were issued by the Defendant – I. New Asian Construction Company (hereinafter referred to as the “**Defendant – II**”) published a notice dated May 18, 2006 informing the purchase of Suit Property and warned the public not to deal with original owner – Plaintiff in this matter or the tenant/ mundkar. One of the co-owners made an application to set-aside the auction and sale as she was not served the due notice for recovery proceedings. Accordingly, the application was taken up by the recovery officer stating that the hearing on the said application will be allowed if the applicant pays to the purchaser a sum equal to 5% of the purchase money and the payment to the decree holder specified in the proclamation notice dated May 25, 2006. Failing this the application shall stand dismissed an auction sale will be confirmed. The auction process was completed by Defendant – I and sale certificate was issued to Defendant – II not of Suit Property but of plot no. 20 and 21 of chalta no. 02 of PT sheet no. 147. Defendant – I also filed a Special Civil Suit number 17/2011/A against Defendant – II for recovery of money as the property was sold in auction under chalta no. 2 of PT sheet number 142 was less than 376.50 sq. mtrs. The Promoter-Director has filed suit for permanent injunction and also filed an application for temporary injunction. The Court summoned the Defendants to appear on October 29, 2014. The Civil Court passed an order dated December 21, 2015 allowing the application for temporary injunction. The hearing and final disposal of the suit was pending. The Defendants are restrained from creating further documents in an attempt to transfer the Suit Property. Defendant – II was restrained from interfering with Suit property. The matter is pending for hearing and final disposal of the suit.

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

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

*Mac Hotels Limited*



**Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in Past.**

Nil

**Adverse finding against Promoter for violation of Securities laws or any other laws**

Nil

**LITIGATIONS FILED BY OUR PROMOTER/S**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**LITIGATIONS INVOLVING OUR GROUP COMPANIES**

**LITIGATIONS AGAINST OUR GROUP COMPANIES**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

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

**LITIGATIONS FILED BY OUR GROUP COMPANIES**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**



Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES**

As on date of Prospectus, our Company does not have any subsidiary Company.

**OTHER MATTERS**

Nil

**DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES**

Nil

**OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

Nil

**MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter “*Management Discussion and Analysis of Financial Condition and Result of Operation*” on page 193 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

As of March 31, 2018, our Company had 36 creditors, to whom a total amount of Rs. 11.09 lakhs were outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated January 19, 2018, considered creditors to whom the amount due exceeds Rs. 2.00 lakhs as per our Company’s restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

<b>Creditors</b>	<b>Amount (Rs. in Lakhs)</b>
Chocolate Room Ind Pvt Ltd	2.14

Further, none of our creditors have been identified as micro enterprises and small-scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see website of our Company [www.machotels.net](http://www.machotels.net).

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.machotels.net](http://www.machotels.net), would be doing so at their own risk.





## GOVERNMENT AND OTHER APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required by us to undertake this Offer and for our present business and except as mentioned below, no further material approvals are required for carrying on our present business operations. Unless otherwise stated, these approvals are valid as on the date of this Prospectus.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.*

### Approvals for the Offer

#### Corporate Approvals

Our Board of Directors have, pursuant to a resolution passed at its meeting held on May 09, 2018 authorized the Offer, subject to the approval of the shareholders of our Company under Section 28 of the Companies Act, 2013 and such other authorities as may be necessary.

The Offer of Equity Shares has been authorized by a special resolution adopted pursuant to Section 28 of the Companies Act, 2013 at the Extra Ordinary General Meeting of shareholders held on May 10, 2018.

#### Approval from Selling Shareholder

The selling shareholder has consented to participate in the offer in the following manner:

Hotel Miramar Comfort Private Limited has consented to participate in the Offer for Sale by offering 8,10,000 Equity Shares vide authorization letter dated May 08, 2018.

The Board of Directors of Hotel Miramar Comfort Private Limited have, by a resolution passed at its meeting held on May 07, 2018 authorized to participate in the Offer for Sale by offering 8,10,000 Equity Shares.

The Offer of Equity Shares of Mac Hotels Limited has been authorized by a special resolution adopted pursuant to Section 28 of the Companies Act, 2013 at the Extra Ordinary General Meeting of shareholders of Hotel Miramar Comfort Private Limited held on May 08, 2018.

Our Company has obtained approval from SME platform of the BSE Limited by way of a letter dated June 25, 2018 to use the name of the Stock Exchange in this Prospectus for listing of Equity Shares on the Stock Exchange.

NSDL/CDSL: ISIN: INE004Z01011.

### Approvals obtained by Our Company

#### INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated December 20, 1999 issued by the Registrar of Companies, Goa, Daman and Diu in the name of "MAC HOTELS PRIVATE LIMITED".
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on August 10, 2017 by the Registrar of Companies, Goa in the name of "MAC HOTELS LIMITED".
3. The Corporate Identification Number (CIN) of the Company is U55101GA1990PLC001100.

#### APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:



Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1	Registration Certificate of Establishment  (under Rule 5 of Goa, Daman and Diu Shops and Establishment Rules, 1975)	Labour Inspector, Mapusa – Goa	Registration Number: S&E/III/MAP/Y2K/180	August 06, 2004  Renewed on January 01, 2017	December 31, 2021
2	No Objection Certificate (NOC) to run Hotel Business in the name of Resort Park Avenue managed by Mac Hotels Private Limited	Directorate of Health Services, Government of Goa	PHCC/NOC/2014-15/1221	September 26, 2014	NA
3	No Objection Certificate (NOC) to run a guest house in Umta Vaddo, Calangute, Goa	Office of Village Panchayat, Calangute	VP/Cal/F-23/14-15/7697	March 2, 2015	NA
4	Certificate of Registration – Trade Licence	Sarpanch/ Secretary, Office of Village Panchayat, Calangute	VP/Cal/F-12/L/14-15/7597	March 2, 2015	March 31, 2015  Renewed up to: March 31, 2021
5	Establishment License (Trade)	Village Panchayat, Calangute	VP/Cal/F-12/08-09/6471	March 17, 2009  Renewed on May 16, 2017	March 31, 2018
6	Permission to install DG Set to generate power for standby use only  (under Section 9 of the Electricity Act, 2003)	Office of the Chief Electrical Engineer, Goa	140/2/CEE/Tech./ Com/ 762	August 7, 2015	Valid for 6 months from the date of issue within which generator set shall be commissioned failing which it has to be renewed.



Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
h7	Approval for Energisation of HV/MV Equipment (under Rule 63 and Rule 47A of the Indian Electricity Rules, 1956)	State Electrical Inspectorate, Government of Goa	STA/ELECT/INSPT/APPRL-4005/296	August 18, 2015	NA
8	Renewal of No Objection Certificate (NOC) under Fire Force Act, 1986 from Directorate of Fire and Emergency Services, Government of Goa	Station Fire Officer, For Asst. Divisional Officer, North Zone	DFES/ADO/GEN/17-18/2011	October 23, 2017	Valid for one year from date of issue.
9	Renewal of No Objection Certificate (NOC) under Fire Force Act, 1986 from Directorate of Fire and Emergency Services, Government of Goa to M/s. Resort Park Avenue	Director, Fire & Emergency Services	DFES/HTL/C-1/1/17-18/427	November 15, 2017	Valid for one year from date of issue.

#### **TAX RELATED APPROVALS/LICENSES/REGISTRATIONS**

Sr. No.	Authorisation granted	Issuing Authority	Registration No./ Reference No./ License No.	Date of Issue	Validity
1	Permanent Account Number (PAN)	Income Tax Department, Government of India	AABCM5171G	December 20, 1990	Perpetual



Sr. No.	Authorisation granted	Issuing Authority	Registration No./ Reference No./ License No.	Date of Issue	Validity
				Amended: October 14, 2017	
2	Tax Deduction Account Number (TAN)	Income Tax Department, Government of India	BLRM10096C	Amended: December 22, 2017	Perpetual
3	Certificate of Provisional Registration and Goods and Service Tax Identification Number (GSTIN)	Government of Goa and Government of India	30AABCM5171G1ZW	Original: June 26, 2017  Amended: November 14, 2017	NA
4	Certificate of Registration (under Section 18 of The Goa Value Added Tax Act, 2005 read with Rule 15 (1) of the Goa Value Added Tax Rules, 2005)	Commercial Tax Department, Government of Goa	30730105324	March 31, 2017  Date of Liability: April 29, 2005	Perpetual
5	Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)	Central Board of Excise and Custom, Ministry of Finance – Department of Revenue.	AABCM5171GSD001	February 19, 2013	Until cancelled or surrendered or revoked or suspended.
6	Certificate of Registration Central Sales Tax (Under Rule 7(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Commercial Tax Department, Government of Goa	P/CST/8408 30730105324	Amended on: July 5, 2016	Until cancelled
7	Registration Certificate (under Goa Tax on Luxuries Act, 1988)	Commercial Tax Office, Government of Goa	TIN: 30730105324L	Renewed from: October 1, 2016	September 30, 2017




#### **LABOUR RELATED APPROVALS/REGISTRATIONS**



Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and rules made thereunder)	Assistant Director, Employees Provident Fund Organisation, Regional Office	GA/10872-A	January, 2004
2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948 and rules made thereunder)	Assistant Director, Sub Regional Office, Employees State Insurance Corporation, Sub-regional Office, Goa	32-2735-111	October 27, 2004

### **INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS**

#### **TRADEMARKS**

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Validity/ Renewal	Registration Status
1.		Device	43	Mac Hotels Limited	3638913	September 19, 2017	NA	Objected
2.		Device	43	Mac Hotels Limited	3638914	September 19, 2017	September 19, 2027	Registered
3.		Device	43	Mac Hotels Limited	3638915	September 19, 2017	September 19, 2027	Registered

#### **PENDING APPROVALS:**

1. Application dated September 4, 2017 for Renewal of License under FSSAI (State and Central) Act, 2006.
2. The logos of the Company having application numbers –3638913 is applied for registration and is currently pending.
3. Application for Registration Certificate under Goa Daman and Diu Shops and Establishment Act, 1973 for registered office.
4. Consent and Authorisation Application having inward number 60042 dated March 09, 2018 is made to the Goa State Pollution Control Board.

#### **MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY**

1. Udyog Aadhaar Memorandum
2. Certificate of Registration – Tourism
3. Registration under Contract Labour Registration under Contract Labour (Regulation and Abolition) Act, 1970
4. The Employees Provident Fund Registration is in the name of Resort Park Avenue. Company is yet to apply for change of name to “Mac Hotels Limited”.

***Mac Hotels Limited***



5. Change of name of all approvals from “Mac Hotels Private Limited” to “Mac Hotels Limited” except GST Registration Certificate, PAN and TAN.



## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Offer**

The Offer in terms of this Prospectus has been authorized pursuant to the resolution passed by the Board of Directors dated May 09, 2018 and by the shareholders pursuant to the special resolution passed in Extra-Ordinary General Meeting dated May 10, 2018 under Section 28 of the Companies Act, 2013.

The selling shareholder, Hotel Miramar Comfort Private Limited has consented to participate in the Offer for Sale by offering 8,10,000 Equity Shares vide authorization letter dated May 08, 2018.

The Board of Directors of Hotel Miramar Comfort Private Limited have, by a resolution passed at its meeting held on May 07, 2018 authorized to participate in the Offer for Sale by offering 8,10,000 Equity Shares.

The Offer of Equity Shares of Mac Hotels Limited has been authorized by a special resolution adopted pursuant to Section 28 of the Companies Act, 2013 at the Extra Ordinary General Meeting of shareholders of Hotel Miramar Comfort Private Limited held on May 08, 2018.

### **Prohibition by SEBI or other governmental authorities**

Neither Company, nor our Directors, our Promoters or the relatives (as defined under the Companies Act) of Promoters, our Promoter Group, and our Group Companies have been declared as willful 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, Promoters, Promoter Group, Directors or Group Companies have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

Neither our Promoters, nor any of our Directors or persons in control of our Company are / were associated as promoter, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoter or director

### **Eligibility for the Offer**

Our Company is eligible for the Offer in accordance with regulation 106M(1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post Offer face value capital does not exceed ₹ 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

### **We confirm that:**

In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this Offer is 100% underwritten and that the Lead Manager to the Offer shall underwrite minimum 15% of the Total Offer Size. For further details pertaining to said underwriting please refer to chapter titled “*General Information*” beginning on page 47 of the Prospectus.

In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed this Offer document with SEBI nor has SEBI issued any observations on our Prospectus. Also, we shall ensure that our Lead Manager submits a copy



## Mac Hotels Limited



of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares in this Offer on the SME Platform of BSE. For further details of the arrangement of market making please refer to chapter titled “General Information” beginning on page 47 and details of the Market Making Arrangements for this please refer to chapter titled “The Offer” beginning on page 43 of the Prospectus.

The post issue paid up capital of the company (face value) shall not be more than ₹ 25 crores.

The Company has Positive Net worth as per the latest audited financial results i.e. ₹ 342.96 Lakhs.

The Company has a track record of last three (3) years, as on the date of filling of the Draft Red Herring Prospectus.

The Company has positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the date of filing of this Draft Red Herring Prospectus.

The Net worth and Cash for the year ended March 31, 2018, 2017 and 2016 and Net tangible Assets and Net worth of the Company as per the restated financial statements for the year ended March 31, 2018 are as set forth below: -

(₹In lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Net Worth*	342.96	NR	NR
Cash Accruals**	95.69	39.82	31.97

\* “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

\*\* “Cash Accruals” has been defined as the Earnings before depreciation and tax from operation.

The Company has a website [www.machotels.net](http://www.machotels.net)

Our Company has mandatorily facilitated trading in demat securities and has entered into an agreement with both the depositories. The Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated January 19, 2018 and National Securities Depository Limited dated December 19, 2017 for establishing connectivity.

There have been no changes in the promoter(s) of the Company in the preceding one year from date of filling the application to BSE for listing under SME segment.

The Company has not been referred to Board for Industrial and Financial Reconstruction.

No petition for winding up is admitted by a court of competent jurisdiction against the Company.

No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 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 Offer.

### Disclaimer Clause of SEBI



IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI)/ STOCK EXCHANGE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI/ STOCK EXCHANGE. SEBI/ STOCK EXCHANGE DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, GRETEX CORPORATE SERVICES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (OFFER OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.

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 MANAGER, GRETEX CORPORATE SERVICES PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER SHALL FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED MAY 15, 2018 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992 AFTER FILING OF PROSPECTUS WITH ROC AND BEFORE OPENING OF OFFER:

**“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING OFFER STATE AND CONFIRM AS FOLLOWS:**

WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, AND DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID OFFER.

**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 OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;

ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER 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

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 OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

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.

WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS-NOTED FOR COMPLIANCE.

WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF HISSPECIFIED SECURITIES AS PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD



STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.

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 PROMOTER CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.

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 PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. 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 PROMOTER'S 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 OFFER. – NOT APPLICABLE

WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. - COMPLIED TO THE EXTENT APPLICABLE.

WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER 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 EXCHANGE MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE

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. UNDER SECTION 29 OF THE COMPANIES ACT, 2013 EQUITY SHARES IN THE OFFER WILL BE ISSUED IN DEMATERIALIZED FORM ONLY.

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.

**WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:**

AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND

AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME

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 OFFER. -NOTED FOR COMPLIANCE.

WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER EXPERIENCE, ETC.



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.

WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST OFFERS HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.

WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS- *TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE PROSPECTUS.*

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE:**

WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

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 OFFER UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS OFFER SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-OFFER ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE OFFER HAVE BEEN GIVEN.

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.

WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER-NOTED FOR COMPLIANCE.

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.

WE CONFIRM THAT UNDERWRITING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

WE CONFIRM THAT MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 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 Offer. SEBI further reserves the right to take up at any point of time, with the Lead Manager any irregularities or lapses in the Prospectus.

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All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Goa, Daman & Diu, in terms of Section 26 and 28 of the Companies Act, 2013.

### **Disclaimer Statement from our Company and the Lead Manager**

Our Company, Our Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in the Prospectus or, in case of the Company, in any 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.machotels.net](http://www.machotels.net) would be doing so at his or her own risk.

### **Caution**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU/ Offer Agreement entered between the Lead Manager and our Company on May 15, 2018 and the Underwriting Agreement dated May 15, 2018 entered into between the Underwriters and our Company and the Market Making Agreement dated May 15, 2018 entered into among the Market Maker, Lead Manager and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centers or elsewhere.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Gretex Corporate Services Private Limited is not an 'associate' of the Company and is eligible to Lead Manager to this Offer, under the SEBI (Merchant Bankers) Regulations, 1992

Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer.

### **Price Information and the track record of the past Offers handled by the Lead Manager**

For details regarding the price information and track record of the past Offer handled by M/s. Gretex Corporate Services Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A to this Prospectus and the website of the Lead Manager at [www.gretexcorporate.com](http://www.gretexcorporate.com).

### **Disclaimer in Respect of Jurisdiction**

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, 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, AIFs state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. 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 him or herself about, and to observe, any such restrictions.





Any dispute arising out of this Offer will be subject to jurisdiction of the competent court(s) in Mumbai only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that the Prospectus has been filed with SME Platform of BSE for its observations and BSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from 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 SME Platform of BSE Limited**

As required, a copy of this Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to us, post scrutiny of this Prospectus, shall be included in the Prospectus prior to RoC filing.

#### **Filing**

The Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 106(M)(3). However, a copy of the Prospectus will be filed with SEBI at SEBI Bhavan, Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India. A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the ROC situated at Company Law Bhawan EDC Complex, Plot No. 21, Patto, Panaji, Goa - 403 001, India.

#### **Listing**

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from SME Platform of BSE. However, application will be made to the SME platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principle approval for using its name in our Prospectus *vide* its letter dated June 25, 2018.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by SME Platform of BSE 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 Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE mentioned above are taken within six Working Days from the Offer Closing Date

#### **Consents**

Consents in writing of (a) Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Key Managerial Personnel, Peer Reviewed Auditor, Banker(s) to the Company; (b) Lead Manager, Underwriters, Market Maker, Registrar to the Offer, Public Offer Banker/Refund Banker, Legal Advisor to the Offer to

## **Mac Hotels Limited**



act in their respective capacities shall be obtained as required as required under section 26 and 28 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC. Our Peer Reviewed Auditor has 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.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, N.K. Aswani & Co., Chartered Accountants, Peer Review Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on “*Statement of Possible Tax Benefits*” relating to the possible tax benefits and restated financial statements as included in the Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Prospectus.

### **Expert to the Offer**

Except as stated below, our Company has not obtained any expert opinions:

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.
- Report of the Peer Reviewed Auditor on the Restated Financial Statements for the financial year ended on March 31, 2018, 2017, 2016, 2015, 2014 of our Company.

### **Expenses to the Offer**

The expenses of this Offer 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 Offer, refer to chapter “*Objects of the Offer*” beginning on page 64 of this Prospectus.

### **Selling Commission Payable to Designated Intermediaries**

Selling commission payable to the Syndicate Members, SCSBs, Registered Brokers, CDPs and RTAs on the portion for Retail Individual Investors and Non- Institutional Investors, which are directly procured by them, would be as follows:

1. Portion for Retail Individual Bidders 0.50 % of the Amount Allotted\* (plus applicable GST)
2. Portion for Non-Institutional Bidders 0.25 % of the Amount Allotted\* (plus applicable GST)

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

#### **Important Note:**

1. *The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bided by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application form on the application form number / series of a Syndicate / Sub-Syndicate Member, is bided by an SCSB, the Selling Commission will be payable to the SCSB and not to the Syndicate / Sub-Syndicate Member*
2. *The Selling Commission payable to SCSBs, RTAs, CDPs and Registered Brokers will be determined on the basis of the bidding terminal id as captured in the Bid Book of Stock Exchange.*
3. *Payment of the Selling Commission payable to the sub-brokers / agents of the Sub-Syndicate Members need to be handled directly by the Sub-Syndicate Members, and necessary records for the same shall be maintained by the respective Sub-Syndicate Members*

### **ASBA Processing Fees**

Processing fees of ₹ 10/- (exclusive of GST), shall be payable to the SCSBs per valid Bid cum Application Form on valid bids, for processing the Bid cum Application Form procured by the Syndicate Members or the Registered Brokers or the CDPs or RTAs and submitted to them.

Syndicate Members, Registered Brokers, CDPs and RTAs will be entitled to a processing fee of ₹ 10/- (plus GST) per Bid cum Application Form, on valid bids, which are eligible for allotment, procured from Retail Individual Bidders and Non-Institutional Bidders and submitted to the SCSB for processing.



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In case the total ASBA Processing fees payable to SCSBs, Syndicate Members, Registered Brokers, CDPs and RTAs exceeds ₹ 1.00 lakh, then the amount payable to SCSBs, Syndicate Members, Registered Brokers, CDPs and RTAs would be proportionately distributed based on the number of valid applications such that the total ASBA Processing Fees payable does not exceed ₹ 1.00 lakh.

### **Details of Fees Payable**

#### **Fees Payable to the Lead Manager**

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

#### **Fees Payable to the Registrar to the Offer**

The fees payable to the Registrar to the Offer will be as per the Agreement signed by our Company and the Registrar to the Offer dated September 05, 2017, a copy of which is available for inspection at our Registered Office. The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Offer 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 the selling commission for the Offer are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Offer price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013

#### **Previous rights and Public Offers since the Incorporation**

We have not made any previous rights and/or public Offers since incorporation and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

#### **Previous Offers of Shares otherwise than for cash**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 54 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **Commission and Brokerage on previous Offers**

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 Offer during the last three years**

None of the equity shares of our Group Companies 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 Offer 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 Offer 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 years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Offer for redressal of their grievances. All grievances relating to this Offer 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 center 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 center 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 Offer or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on September 04, 2017. For further details, please refer to the chapter titled “*Our Management*” beginning on page 108 of this Prospectus.

Our Company has appointed Priyanka Sen as Company Secretary and Compliance Officer and she may be contacted at the following address:

#### **Priyanka Sen**

#### **Mac Hotels Limited**

First Floor, Beach Plaza (Annexee),

Nomxin, Caranzalem, Ilhas,

Panaji - 403001, Goa, India

**Tel:** 0832-2464299

**Fax:** NA

**Email:** [cs@machotels.net](mailto:cs@machotels.net)

**Website:** [www.machotels.net](http://www.machotels.net)

**Corporate Identification Number:** U55101GA1990PLC001100

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

### **Changes in auditors during the last three financial years**

There are no changes in Auditors during the last three financial years.

### **Capitalisation of reserves or profits**

### ***Mac Hotels Limited***



Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 54 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 Offer 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 Promoter 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 VIII: OFFER INFORMATION

### TERMS OF THE OFFER

*The Equity Shares being Offered and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of this Prospectus, the Application Form, the Revision Form, the CAN/ Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/ certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, Registrar of Companies, RBI and/or other authorities, as in force on the date of the Offer and to the extent applicable, or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the Registrar of Companies and/or any other authorities while granting its approval for the Offer.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process.*

*Further vide the said circular Registrar to the Offer and Depository Participants have been also authorised to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Offer and Depository Participants as and when the same is made available.*

#### **Offer for Sale**

The Offer comprises of Offer for Sale by the Selling Shareholder. The fees and expenses relating to the Offer shall be shared in the proportion mutually agreed between the Company and the respective Selling Shareholder in accordance with applicable law. However, for ease of operations, expenses of the Selling Shareholder may, at the outset, be borne by our Company on behalf of the Selling Shareholder, and the Selling Shareholder agree that it will reimburse our Company all such expenses.

#### **Ranking of the Equity Shares**

The Equity Shares being Offered and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, 2013 our Memorandum and Articles of Association and shall rank pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please refer to the chapter titled “Main Provisions of the Articles of Association” beginning on page 249 of this Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, SEBI Listing Regulations, the Memorandum and Articles of Association, and recommended by the Board of Directors at their discretion and approved by the Shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled “Dividend Policy” beginning on page 132 of this Prospectus

#### **Face Value and Offer Price per Share**

The Equity Shares having a face value of ₹ 10/- each are being Offered in terms of this Prospectus at the price of ₹ 24/- per Equity Share. The Offer Price is determined by our Company, in consultation with the Lead Manager and is justified under the chapter titled “Basis for Offer Price” beginning on page 67 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.



### **Compliance with the disclosure and accounting norms**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall also 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 and 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 terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc. please refer to the chapter titled “*Main Provisions of Articles of Association*” beginning on page 249 of this Prospectus.

### **Minimum Application Value; Market Lot and Trading Lot**

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Offer:

- Tripartite agreement dated December 19, 2017 between our Company, NSDL and the Registrar and Share Transfer Agent to the Offer.
- Tripartite agreement dated January 19, 2018 between our Company, CDSL and the Registrar and Share Transfer Agent to the Offer.

The trading of the Equity Shares will happen in the minimum contract size of 6000 Equity Shares and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 6000 Equity Shares subject to a minimum allotment of 6000 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 6000 Equity Share subject to a minimum allotment of 6000 Equity Shares to the successful applicants.

### **Minimum Number of Allottees**

The minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of Offer.

### **Jurisdictions**

Exclusive jurisdiction for the purpose of this Offer 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 under the Securities Act), 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 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 Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **Nomination Facility to Investor**

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

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:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety 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 Offer will be made only in dematerialized mode there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

#### **Withdrawal of the Offer**

Our Company in consultation with the Selling Shareholder and Lead Manager, reserves the right not to proceed with the Offer at any time after the Offer Opening Date but before the Allotment. In such an event, our Company would Offer a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Lead Manager, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. If our Company withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an Offer of the Equity Shares, our Company shall file a fresh Draft Offer Document. Notwithstanding the foregoing, the Offer is also subject to



obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

### **Offer Programme**

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

<b>Event</b>	<b>Indicative Date</b>
<b>Offer Opening Date</b>	September 19, 2018
<b>Offer Closing Date</b>	September 25, 2018

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

### **Minimum Subscription**

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten.

If our Company does not receive the 100% subscription of the offer through the Offer Document including development of Underwriters, if any, within sixty (60) days from the date of closure of the Offer, our Company shall forthwith refund the entire subscription amount received, if there is a delay beyond eight days, after our Company become liable to pay the amount, our Company shall pay interest as prescribed under Section 40 of the Companies Act, 2013.

The minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the monies blocked by the SCSBs shall be unblocked within 5 working days of closure of Offer.

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.

### **Market Making**

The shares Offered and transferred through this Offer are proposed to be listed on the SME Platform of BSE with compulsory market making through the registered Market Maker of the BSE for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on SME Platform of BSE. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 47 of this Prospectus.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 6000 shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Offer Equity Shares and Promoters’ minimum contribution in the Offer as detailed in the chapter “*Capital Structure*” beginning on the page 54 of the Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation/splitting except as provided in the Articles of Association. For details please refer to the chapter titled “*Main Provisions of Articles of Association*” beginning on page 249 of this Prospectus.





**New Financial Instruments**

The Issuer Company is not issuing any new financial instruments through this Offer.

**Option to receive Equity Shares in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

**Migration to Main Board**

Our Company may migrate to the main board of SME platform of BSE on a later date subject to the following:

If the Paid up Capital of the Company is likely to increase above ₹ 25 Crores by virtue of any further Offer of capital by way of rights, preferential Offer, bonus Offer etc. ( which has been approved by a special resolution through postal ballot wherein the vote cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than Promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), Company shall have to apply to BSE for listing our shares on its main board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the main board.

OR

If the Paid-up Capital of the Company is more than ₹ 10 Crores but below ₹ 25 Crores, 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 favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.



## OFFER STRUCTURE

This Offer is being made in terms of Regulation 106(M)(1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, our post Offer face value capital does not exceed ten crores rupees. The Company shall Offer specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Offer, please refer to chapter titled “Terms of the Offer” and “Offer Procedure” beginning on pages 200 and 207 respectively of this Prospectus.

The present Offer of 8,10,000 Equity Shares of face value of ₹ 10/-each fully paid (the ‘Equity Shares’) for cash at price of ₹ 24/- per Equity Share (including a premium of ₹ 14/- per Equity Share) aggregating up to ₹ 194.40 Lakhs in the form of Offer for Sale by the Selling Shareholder, Hotel Miramar Comfort Private Limited. The Offer comprises a reservation of 42,000 Equity Shares of ₹ 24/- each aggregating to ₹ 10.08 Lakhs for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net Offer to Public of up to 7,68,000 Equity Shares of ₹10/- each at an Offer Price of ₹ 24/- per share aggregating to ₹ 184.32 Lakhs (the Net Offer). The Offer and the Net Offer will constitute 27.00% and 25.60% respectively of the post Offer paid up equity share capital of the Company.

Particulars of the Offer	Net Offer to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	7,68,000 Equity Shares	42,000 Equity Shares
<b>Percentage of Offer Size available for allocation</b>	94.81% of the Offer Size	5.19% of the Offer Size
<b>Basis of Allotment/ Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 6000 Equity Shares and further allotment in multiples of 6000 Equity Shares each.  For further details please refer to “Basis of Allotment” under chapter titled “Offer Procedure” on page 240 of this Prospectus.	Firm Allotment
<b>Mode of Application</b>	Through ASBA Process Only	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
<b>Minimum Application Size</b>	<b>For QIB and NII:</b> Such number of Equity Shares in multiples of 6000 Equity Shares such that the Application Value exceeds ₹2,00,000.  <b>For Retail Individuals:</b> 6000 Equity Shares	42,000 Equity Shares of Face Value ₹10.00
<b>Maximum Application Size</b>	<b>For QIB and NII:</b> The maximum application size is the Net Offer to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.  <b>For Retail Individuals:</b> 6000 Equity Shares	42,000 Equity Shares of Face Value ₹10.00
<b>Trading Lot</b>	6000 Equity Shares	6000 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.



Particulars of the Offer	Net Offer to Public*	Market Portion	Maker	Reservation
<b>Terms of Payment</b>	The entire application amount will be payable at the time of submission of the Application Form and accordingly ASBA Banks will block the entire Application Amount.			

*This Offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations through the fixed price Offer method and hence, as per Sub-regulation (4) of Regulation 43, of SEBI (ICDR) Regulations, the allocation of Net Offer to the public category shall be made as follows:*

- a) *At least 50% to retail individual investors; and*
- b) *Remaining 50% to other than retail individual investors, subject to valid Applications being received*
- 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.***

*\* In case of joint Application, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. 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.*

#### **Withdrawal of the Offer**

Our Company in consultation with the Selling Shareholder and Lead Manager, reserves the right not to proceed with this Offer at any time before the Offer Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Offer after Offer Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Offer. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Offer, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchange will also be informed promptly.

If the Company withdraws the Offer after the Offer Closing Date and subsequently decides to undertake a public offering/Offer of Equity Shares, the Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, this Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final ROC approval to the Prospectus after it is filed with the ROC.

#### **Offer Programme**

<b>OFFER OPENING DATE</b>	September 19, 2018
<b>OFFER CLOSING DATE</b>	September 25, 2018

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Offer Period at the Application Centers mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Offer Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time).

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



## OFFER PROCEDURE

All Applicants should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under “Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Our Company, the Selling Shareholder and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Prospectus.

Please note that all the Applicants can participate in the Offer only through the ASBA process. All Applicants shall ensure that the ASBA Account has sufficient credit balance such that the full Application Amount can be blocked by the SCSB at the time of submitting the Application. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form.

Applicants are required to submit Applications to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Offer and Share Transfer Agent (“RTA”) that have been notified by BSE Limited to act as intermediaries for submitting Application Forms are provided on <http://www.bseindia.com> For details on their designated branches for submitting Application Forms, please see the above-mentioned BSE website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Application forms.

### **PART-A**

#### **FIXED PRICE OFFER PROCEDURE**

The Offer is being made under Regulation 106(M) (1) of Chapter XB of SEBI (Offer 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, our Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchanges, as mandated by SEBI.

#### **APPLICATION FORM**



Pursuant to SEBI Circular dated January 01, 2016 and bearing Reference No. CIR/CFD/DIL/01/2016, the Application Form has been standardized. Also please note that pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public Offers opening on or after January 01, 2016, all the investors can apply through ASBA Mode. The prescribed colour of the Application Form for various categories applying in this Offer is as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FIIs, FPI or FVCIs etc. applying on a repatriation basis	Blue

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.**

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- An SCSB, with whom the bank account to be blocked, is maintained
- A syndicate member (or sub-syndicate member)
- 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')
- A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- A registrar to an Offer and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity).

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to Designated Intermediaries (other than SCSBs):</b>	After accepting the application form, respective Designated Intermediary (other than SCSBs) shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer.

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, Registered Office of the Lead Manager to the Offer and Registered Office of the Registrar to the Offer as mentioned in

## **Mac Hotels Limited**



the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com).

### **Who can apply?**

In addition to the category of Applicants set forth under “**General Information Document for Investing in Public Offers -Category of Investors Eligible to participate in an Offer**”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non-Institutional Investors (NIIs) category;
- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

### **Option to Subscribe in the Offer**

As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.

The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

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 associates/affiliates of Lead Manager and Syndicated Members**

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Offer in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may purchase the Equity Shares in the Offer, 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 own their own account or on behalf of their clients.

### **Application by Indian Public Including Eligible NRIs Applying on Non-Repatriation**

Application must be made only in the names of Individuals, Limited Companies or Statutory Corporations/ Institutions and not in the names of Minors (except through their Legal Guardians), 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 NRIs / REPIs on Repatriation Basis**

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to Offer 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 Offer 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:**

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 Offered by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts Offered 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 Offered 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 Offered by Non-Banking Financial Companies categorized as Infrastructure Finance Companies(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units Offered by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

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.

In respect of investments in the secondary market, the following additional conditions shall apply:

a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

b) Nothing contained in clause (a) shall apply to:

- Any transactions in derivatives on a recognized stock exchange;
- Short selling transactions in accordance with the framework specified by the Board;
- Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the Offer in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- Any other transaction specified by the Board.

c) No transaction on the stock exchange shall be carried forward;

d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:

- 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;
- 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;
- 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;
- Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
- 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 Offer of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions Offered by Reserve Bank of India from time to time;





- 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;
  - 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 Offer in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - Any other transaction specified by the Board.
- 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.
  - 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 Offered capital of the Company.
  - 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.
  - 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.

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 Offer, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a) Such offshore derivative instruments are Offered only to persons who are regulated by an appropriate foreign regulatory authority;
- (b) Such offshore derivative instruments are Offered 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 Offer, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:
  - Provided further that no Category III foreign portfolio investor shall Offer, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly
  - A foreign portfolio investor shall ensure that further Offer or transfer of any offshore derivative instruments Offered by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
  - Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
  - Any offshore derivative instruments Offered 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 Offered under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.



- The purchase of equity shares of each Company by a single foreign portfolio investor or an investor group shall be below 10% of the total Offered capital of the Company.

A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

### **Applications by Mutual Funds**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserve the right to reject any Application without assigning any reason therefore. Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

Applications made by asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Applications in respect of more than one scheme of a Mutual Fund will not be treated as multiple Applications, provided that such Applications clearly indicate the scheme for which the Application is submitted.

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 case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

### **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 Offered 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 Offer 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 Offered by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason therefore.

The exposure norms for insurers applicable to investment in equity shares, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 ("**IRDA Investment Regulations**"), are broadly set forth below:

- equity shares of a Company: the lower of 10% of the outstanding Equity Shares (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;
- the entire group of the investee Company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and;
- the industry sector in which the investee Company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.
- The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) and (iii) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars Offered by IRDA from time to time.



### **Application under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹.25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹.25 Crores a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

With respect to applications by AIFs, 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 Offered 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 ₹ 25 crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

### **Applications by provident funds/pension funds**

In case of Applications made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that 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 the Prospectus.

### **Information for the Applicants**

Our Company and the Lead Managers shall declare the Offer Opening Date and Offer 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.

Our Company will file the Prospectus with the ROC at least three days before the Offer Opening Date.

## **Mac Hotels Limited**



Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.

Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).

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.

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.

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 Offer will be made into the accounts of such Applicants.

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 Offer 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.

### **Methods and Process of Applications**

Applicants are required to submit their applications during the Offer Period only through the following Application Collecting intermediary an SCSB, with whom the bank account to be blocked, is maintained a syndicate member (or sub-syndicate member), if any 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’) a depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity) a registrar to an Offer and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Offer Period may be extended, if required, by an additional three Working Days, subject to the total Offer 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 Offer 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 Offer.

The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:



<b>For applications submitted by investors to SCSB</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of 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 Offer.

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.

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.

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 Offer Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer 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 Offer Account. In case of withdrawal / failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **Application by Banking Companies**

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the “Banking Regulation Act”), and the Master Circular dated July 1, 2015 – Para-banking Activities, is 10% of the paid-up share capital of the investee Company or 10% of the banks’ own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services Company by a banking Company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking Company cannot exceed 20% of the investee Company’s paid-up share capital. A banking Company may hold up to 30% of the paid-up share capital of the investee Company with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

#### **Application by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public Offers and clear demarcated funds should be available in such account for such application

#### **Issuance of a Confirmation Note (“CAN”) and Allotment in the offer**

Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Offer shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Offer.



The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant

## **TERMS OF PAYMENT**

### **Terms of Payment**

The entire Offer price of ₹ 24/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Registrar to the Offer 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 Offer Bank Account post finalisation of Basis of Allotment. The balance amount after transfer to the Public Offer Account shall be unblocked by the SCSBs.

The Applicants should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Offer and the Registrar to the Offer 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 Offer 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 Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal / failure of the Offer 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 Offer shall mandatorily make use of ASBA facility.

### **Electronic Registration of Applicants**

The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.

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 Offer Closing Date.

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.

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.

The Stock Exchange will offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorized agents during the Offer 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 Offer 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 Manager on a regular basis.

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

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.

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.

Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

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.

The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

The Application Collecting Intermediaries will be given time till 1.00 P.M on the next working day after the Offer Closing Date to verify the PAN No, DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer 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.

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**

The Offer is being made through the Fixed Price Process wherein 42,000 Equity Shares shall be reserved for Market Maker. 3,84,000 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 Offer Price. The balance of the Net Offer will be available for allocation on a proportionate basis to Non-Retail Applicants.



## **Mac Hotels Limited**



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.

Allocation to Non-Residents, including Eligible NRIs, Eligible OFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

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.

Allotment status details shall be available on the website of the Registrar to the Offer.

### **Signing of Underwriting Agreement**

The Offer is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager and Underwriters on May 15, 2018 and addendum dated September 05, 2018.

### **Filing of Prospectus with ROC**

The Company will file a copy of the Prospectus with the ROC in terms of Section 26 and 28 of Companies Act, 2013.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the ROC, publish a pre-Offer 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**

- Upon approval of the Basis of Allotment by the Designated Stock Exchange
- The Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Offer
- 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.
- Investors shall note that persons banned from accessing capital market are ineligible of investing in the offer.

#### **Don'ts:**

- 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 Offer.
- 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 Offer 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 Offer
- 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 Offers using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) With a view to broad base 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 Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Offer with effect from January 01, 2016. The List of RTA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.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 Offer 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 Offer.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, 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**

## **Mac Hotels Limited**



All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer 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 Offer in case of any pre-Offer or post Offer 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 SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- Allotment and Listing of Equity Shares shall be made within 4 (four) and 6 (Six) days respectively of the Offer Closing Date;
- The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Offer.

### **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.”***

### **Undertaking by the Company**

Our Company undertake as follows:

- That the complaints received in respect of the Offer shall be attended expeditiously and satisfactorily;
- 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 working day from Offer closure date;
- 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 Offer by us;
- That our Promoter’s contribution in full has already been brought in;
- That no further Offer 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
- That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.

### **Utilization of the Offer Proceeds**



The Board of Directors of our Company certifies that:

- all monies received out of the Offer 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;
- details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time any part of the Offer 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;
- details of all unutilized monies out of the Offer, 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
- 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 Offer.
- Our Company shall not have recourse to the Offer 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 manager undertakes that the complaints or comments received in respect of the Offer 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 December 19, 2017 among NSDL, the Company and the Registrar to the Offer;
- b. Agreement dated January 19, 2018 among CDSL, the Company and the Registrar to the Offer;

The Company's shares bear ISIN no INE004Z01011.

### **PART B**

#### **GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC OFFERS**

*This General Information Document highlights the key rules, processes and procedures applicable to public Offers 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 Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer and should carefully read the Prospectus /Prospectus before investing in the Offer.*

#### **SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)**

This document is applicable to the public Offers undertaken *inter-alia* through Fixed Price Offers. The purpose of the "General Information Document for Investing in Public Offers" 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 Offer 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 Offer and the relevant information about the Issuer undertaking the Offer; 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 Offer. 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 Offer and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

## **SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE**

### **2.1 Initial Public Offer (IPO)**

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under chapter XB of the SEBI (ICDR) Regulations, wherein as per:

Regulation 106M (1): An Issuer whose post-Offer face value Capital does not exceed ten crore rupees shall Offer its specified securities in accordance with provisions of this Chapter.

Regulation 106M (2): An Issuer, whose post Offer face value capital, is more than ten crore rupees and up to twenty-five crore rupees, may also Offer specified securities in accordance with provisions of this Chapter

The present Offer 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 and the Companies Act, 2013 as may be applicable (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. 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, Offer has to be 100% underwritten and the LM has to underwrite at least 15% of the total Offer size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Offer 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, then the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the 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 Offer.
- (e) The Issuer should have a track record of distributable profits in terms of section 123 of Companies Act, 2013 for two out of immediately preceding three financial years or it should have net worth of at least Rs. 5 Crores.



- (f) The Issuer shall have Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
- (g) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 3 crore as per the latest audited financial results.
- (h) The Post-offer paid up capital of the Issuer shall be at least Rs. 3 Crore. The post – offer paid up capital of our company will be Rs. 3 Crores.
- (i) The Post-Offer paid up capital of the Company shall not be more than Rs. 25 Crore.
- (j) The Issuer shall mandatorily facilitate trading in demat securities
- (k) The Issuer should not be referred to Board for Industrial and Financial Reconstruction.
- (l) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
- (m) 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.
- (n) The Company should have a website.
- (o) There has been no change in the promoter of the Company in the one year preceding the date of filing application to BSE for listing on SME segment. 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.
- (p) Issuer shall also comply with all the other requirements as laid down for such an Offer 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) Regulation, 2009 shall not apply to this Offer.

Thus, Company is eligible for the Offer in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post Offer face value capital does not exceed ₹ 10 Crore. Company also comply with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

### **2.3 Types of Public Offers- Fixed Price Offers and Book Built Offers**

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Offer Price through the Book Building Process (“**Book Built Offer**”) or undertake a Fixed Price Offer (“**Fixed Price Offer**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Offer) and a Price or Price Band in the Prospectus (in case of a fixed price Offer) 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-Offer advertisement was given at least five Working Days before the Offer Opening Date, in case of an IPO and at least one Working Day before the Offer Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Offer advertisements to check whether the Offer is a Book Built Offer or a Fixed Price Offer.

### **2.4 Offer Period**

The Offer 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 Offer Period. Details of Offer Period are also available on the website of Stock Exchange(s).

### **2.5 Migration to Main Board**

Our Company may migrate to the main board of SME platform of BSE on a later date subject to the following:





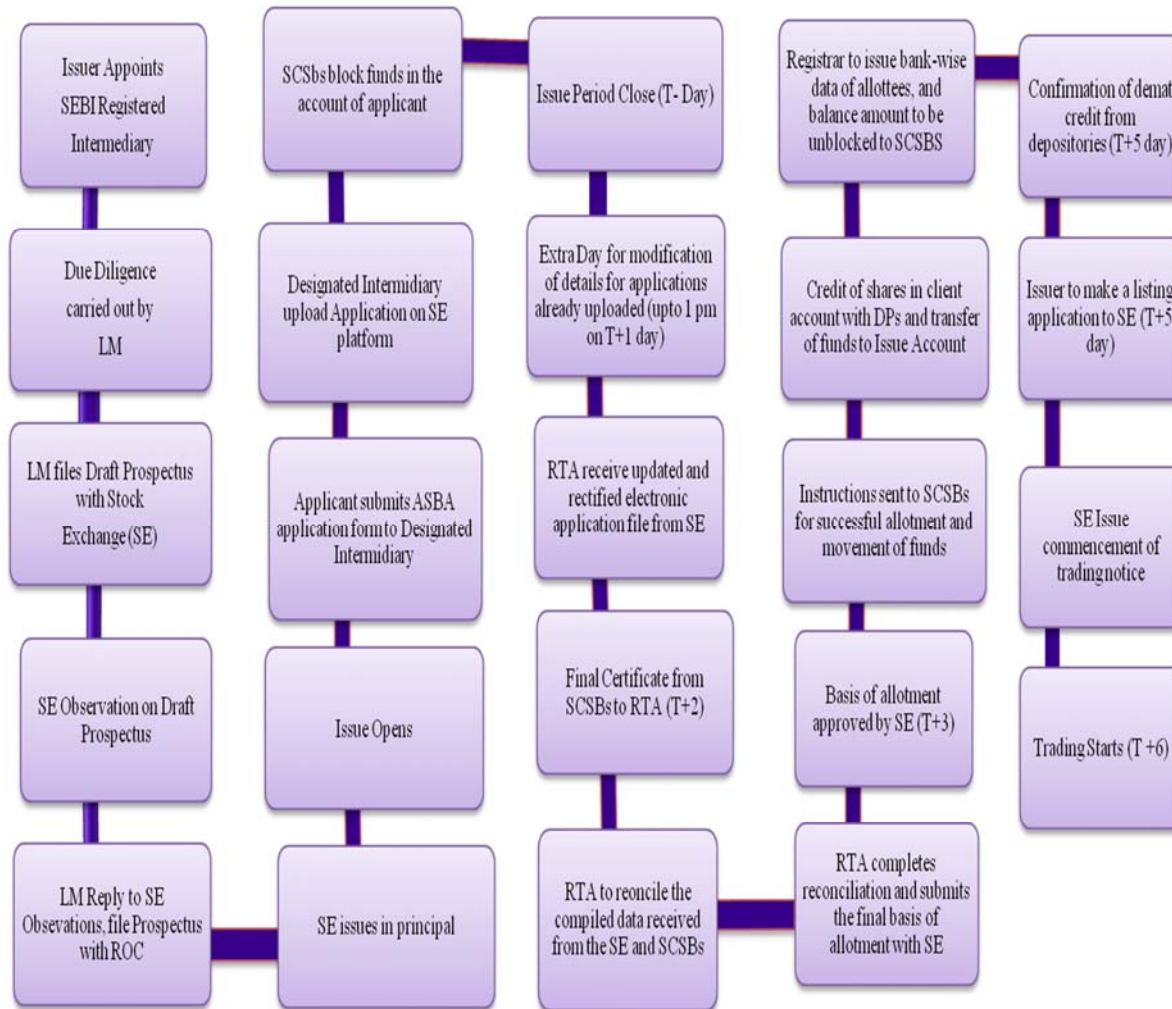
If the Paid up Capital of the Company is likely to increase above ₹ 25 Crores by virtue of any further Offer of capital by way of rights, preferential Offer, bonus Offer etc. ( which has been approved by a special resolution through postal ballot wherein the vote cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than Promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), Company shall have to apply to BSE for listing our shares on its main board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the main board.

OR

If the Paid-up Capital of the Company is more than ₹ 10 Crores but below ₹ 25 Crores, 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 favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

**2.6 Flowchart of Timelines**

A flow chart of process flow in Fixed Price Offers is as follows







### **SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN OFFER**

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 Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals' resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- 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;
- 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;
- Mutual Funds registered with SEBI;
- 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 Offer;
- 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);
- FPIs other than Category III FPI; AIFs and FVCIs registered with SEBI;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- State Industrial Development Corporations;
- 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;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of ₹ 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- 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;
- Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India; and
- Any other person eligible to apply in this Offer, 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 Offer.

### **SECTION 4: APPLYING IN THE OFFER**



**Fixed Price Offer:** 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 with the 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 Offered 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 rematerialised subsequent to allotment.

#### **4.1 Instructions for Filing the Application Form (Fixed Price Offer)**



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:

Mac Hotels Limited  
R Application Form



<b>COMMON APPLICATION FORM</b>	<b>MAC HOTELS LIMITED - INITIAL PUBLIC ISSUE - R</b> Registered Office: First Floor, Beach Plaza (Aramon), Naraina, Corporation, New Delhi - 110028, India CIN: U35101GA1990PLC001100 Tel: 0812-2464299, Fax No: [x], Email: investor@machotels.net, Website: www.machotels.net	<b>FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs, ELIGIBLE NRI APPLYING ON A NON-REPATRIATION BASIS</b>
	To, The Board of Directors <b>MAC HOTELS LIMITED</b>	Date: _____ <b>FIXED PRICE SME ISSUE</b> <b>ISIN : INE004Z01011</b> Application Form No. _____
<b>BROKER'S / SCSB / DP / RTA STAMP &amp; CODE</b>	<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b>
		Mr. / Ms. _____ Age _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____
<b>SCSB / BANK BRANCH STAMP &amp; CODE</b>	<b>SCSB / BANK BRANCH SERIAL NO.</b>	<b>2. PAN OF SOLE/FIRST APPLICANT</b>
<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b>		<b>6. INVESTOR STATUS</b>
<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indian (Non-Repatriation Basis) - NRI <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"/> Other (Please Specify) - OTH
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		<small>*NRI should apply only through Karta (Application by NRI would be treated as per with Individual)</small>
<b>4. APPLICATION DETAILS</b>		<b>8. CATEGORY</b>
No. of Equity Shares of ₹ 10/- each applied at the Offer Price i.e. at ₹ 24/- per share (+*)		<input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB
(In Figures)		(In Words)
*Please note that applications must be made in minimum of 8000 shares and further multiples of 8000 shares accordingly. *Please note that the transfer of equity shares will be only in dematerialised mode on the SME Platform of BSE.		
<b>7. PAYMENT DETAILS</b>		<b>PAYMENT OPTION : Full Payment</b>
Amount Blocked (₹ in Figures) _____ (₹ in words) _____		
ASBA Bank A/c No. _____ Bank Name & Branch _____		
I/WE (ON BEHALF OF JOINT APPLICANTS) AND HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ASB/DP ID PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE (GID) AND HEREBY AGREE AND CONSENT TO 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.		
<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)</b>	<b>BROKER / SCSB / DP / RTA STAMP*</b> (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 name of: 1) _____ 2) _____ 3) _____	
Date: _____, 2018		
TEAR HERE <b>MAC HOTELS LIMITED - INITIAL PUBLIC ISSUE - R</b>		Acknowledgement Slip for Broker/SCSB/DP/RTA Application Form No. _____
	DPID / CIDID _____ Amount Blocked (₹ in figures) _____ Bank & Branch _____ ASBA Bank A/c No. _____ Received from Mr/Ms _____ Telephone / Mobile _____ Email _____	PART of Sole/First Bidder Stamp & Signature of SCSS Branch _____
TEAR HERE <b>MAC HOTELS LIMITED - INITIAL PUBLIC ISSUE - R</b>		Acknowledgement Slip for Applicant Application Form No. _____
<b>MAC HOTELS LIMITED - INITIAL PUBLIC ISSUE - R</b>	In Figures      In Words No. of Equity Shares _____ Amount Blocked (₹) _____ ASBA Bank A/c No. _____ Bank & Branch: _____	Stamp & Signature of Broker / SCSS / DP / RTA Name of Sole / First Applicant _____ _____
		Application Form No. _____ <b>MAC HOTELS LIMITED</b>



NR Application Form

<b>COMMON APPLICATION FORM</b>	<b>MAC HOTELS LIMITED - INITIAL PUBLIC ISSUE - NR</b> Registered Office: First Floor, Beach Plaza (Annexe), Naraina, Carromata, Thakur, Goa, Panaji - 403001, Goa, India CIN: U55101GA1999PLC001100 Tel: 0832-3464209; Fax No: [ * ]; Email: investor@mac-hotels.net; Website: www.mac-hotels.net	<b>FOR NON-RESIDENT INCLUDING ELIGIBLE NRIs, FPIs or FVCI; ETC. APPLYING ON A REPATRIATION BASIS</b>
 To, The Board of Directors MAC HOTELS LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : <b>JNE004Z01011</b>	Date : _____ Application Form No. _____
BROKER'S / SCSB / DP / RTA STAMP & CODE _____ _____ _____	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE _____ _____ _____	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. _____ _____ Address _____ _____ Email _____ Tel. No. (with STD code) / Mobile _____
SCSB / BANK BRANCH STAMP & CODE _____ _____ _____	SCSB / BANK BRANCH SERIAL NO. _____ _____ _____	<b>2. PAN OF SOLE/FIRST APPLICANT</b> _____ _____ _____
<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 14 Digit Client ID.		<b>4. INVESTOR STATUS</b> <input type="checkbox"/> Non-Resident Indian (Repatriation basis)    NRI <input type="checkbox"/> FPI or Sub-Account of a Corporate / Foreign Individual    FI <input type="checkbox"/> FPI Sub-Account Corporate/ Individual    FPI SA <input type="checkbox"/> Foreign Venture Capital Investor    FVCI <input type="checkbox"/> Foreign Portfolio Investor    FPI <input type="checkbox"/> Others (Please Specify)    (OTI)
<b>4. APPLICATION DETAILS</b> No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ 24/- per share <sup>1+2</sup> (In Figures) _____ (In Words) _____		
<b>5. CATEGORY</b> <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB		
<small><sup>1</sup> Please note that applications must be made in minimum of 8000 shares and further multiples of 8000 shares accordingly  <sup>2</sup> Please note that the tradin of equity shares will be only in dematerialised mode on the SME Platform of BSE</small>		
<b>7. PAYMENT DETAILS</b> <b>PAYMENT OPTION - Full Payment</b> Amount Blocked (₹ in Figure) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____ _____ _____		
<small>(WE/WE/UNIVERSAL OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT WE/HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABBREVIATED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. WE/ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE APPLICATION FORM GIVEN OVERLEAF.</small>		
<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b> _____ Date: _____, 2018	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> I/We authorize the SCSD to do act as necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	<b>BROKER / SCSB / DP / RTA STAMP</b> (Acknowledging upload of Application in Stock Exchange System) _____ _____
TEAR HERE		
<b>MAC HOTELS LIMITED - INITIAL PUBLIC ISSUE - NR</b>		Acknowledgment Slip for Broker/SCSB/DP/RTA    Application Form No. _____ PAN of Sole/First Bidder _____
Amount Blocked (₹ in Figure) _____ Bank & Branch _____ ASBA Bank A/c No. _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____		Stamp & Signature of SCSB Branch _____ _____
TEAR HERE		
<b>MAC HOTELS LIMITED - INITIAL PUBLIC ISSUE - NR</b>	In Figures    In Words No. of Equity Shares _____ Amount Blocked (₹) _____ ASBA Bank A/c No : _____ Bank & Branch: _____	Stamp & Signature of Broker / SCSB/DP/RTA _____ Name of Sole / First Applicant _____ Acknowledgment Slip for Applicant Application Form No. _____ <b>MAC HOTELS LIMITED</b> <b>1</b>



#### **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.

**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 (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer the Registered Broker and the Registrar to the Offer only for correspondence(s) related to an Offer and for no other purposes.

**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 favor 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.

**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’

**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**

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.

PAN is the sole identification number for participant 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.

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.

Application Forms which provide the General Index Register Number instead of PAN may be rejected.



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**

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.**

Applicants should ensure that the beneficiary account provided in the Application Form is active.

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 Offer, 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 Offer.

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**

The Or may mention Price in the Prospectus. However, a prospectus registered with ROC contains one price.

Minimum and Maximum Application Size

##### **For Retail Individual Applicants**

The Application must be for a minimum of 6000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed ₹ 2,00,000, they can make Application for only minimum Application size i.e. for 6000 Equity Shares.

##### **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 ₹ 2,00,000 and in multiples of 6000 Equity Shares thereafter. An Application cannot be submitted for more than the Offer 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 Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

**Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to 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.

Applicants are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple applications:

- 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.





- 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.

The following applications may not be treated as multiple Applications:

- Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Offer portion in public category.
- 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.
- 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**

The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Offer 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).

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 Offer, applicants may refer to the Prospectus.

The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Offer depending upon compliance with the eligibility conditions. For details pertaining to allocation and Offer specific details in relation to allocation, applicant may refer to the Prospectus.

#### **4.1.6 Field Number 6: Investor Status**

Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Offer is in compliance with the investment restrictions under applicable law.

Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

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.

Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 Field 7: Payment Details**

All Applicants are required to use ASBA facility to block the full Amount (net of any Discount, as applicable) along with the Application Form. If the Discount is applicable in the Offer, the RIIs should indicate the full Amount in the Application Form and the funds shall be blocked for Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.

All categories of investors can participate in the Offer only through ASBA mechanism.

Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

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**





Applicants may submit the Application Form either in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form, or in physical mode to any Application Collecting Intermediaries.

Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

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.

Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

From one ASBA Account, a maximum of five Application Forms can be submitted.

Applicants applying through a Registered Broker, RTA or CDP should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Application Forms.

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.

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.

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.

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.

Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of allotment and subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, to the Public Offer Account, or until withdrawal or failure of the Offer, or until withdrawal or rejection of the Application, as the case may be.

SCSBs applying in the Offer must apply through an Account maintained with any other SCSB; else their Applications are liable to be rejected.

#### **4.1.8 Unblocking of ASBA Account**

Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer 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 Offer 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 Offer Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer 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.

On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful Application to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.



In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Offer may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Offer Closing Date.

#### **4.1.8.1 Discount (if applicable)**

The Discount is stated in absolute rupee terms.

RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Offer, applicants may refer to the Prospectus.

The Applicants entitled to the applicable discount in the Offer 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 of funds in their NRO Account shall not be accepted.

#### **4.1.9 Field Number 8: Signatures and Other Authorizations**

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.

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.

In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorization has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.

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.

All communications in connection with Applications made in the Offer should be addressed as under:

- In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicants should contact the Registrar to the Offer.
- In case of Applications submitted to the Designated Branches of the SCSBs or Registered Brokers or Registered RTA/DP, the Applicants should contact the relevant Designated Branch of the SCSB or Registered Brokers or Registered RTA/DP, as the case maybe.
- Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Offer.

The following details (as applicable) should be quoted while making any queries –

- 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, name and address of the Application Collecting Intermediary, where the Application was submitted; or



- 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**

During the Offer 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.

RII may revise their applications till closure of the Offer period or withdraw their applications until finalization of allotment.

Revisions can be made in both the desired number of Equity Shares and the Application Amount by using the Revision Form.

The Applicant can make this revision any number of times during the Offer Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the same Application Collecting Intermediaries through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

#### **Revision Form – R**





Revision Form – NR

<b>COMMON REVISION FORM</b>	<b>MAC HOTELS LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR</b> Registered Office: First Floor, Beach Plaza (Anzwer), Nominia, Caramzaire, Dhas, Goa, Panaji - 403001, Goa, India CIN: U25101GA1990PLC001100 Tel: 0832-2460299, Fax No: (•): Email: investors@mac-hotels.net, Website: www.mac-hotels.net	FOR NRI, FII, FVCI ETC. APPLYING ON A REPATRIATION BASIS																																																						
 To, The Board of Directors MAC HOTELS LIMITED	<b>FIXED PRICE SME ISSUE</b> <b>ISIN : INE004Z01011</b>	Date: _____ Application Form No. _____																																																						
<b>BROKER'S / SCSB / DP / RTA STAMP &amp; CODE</b>  <b>SCSB / BANK BRANCH STAMP &amp; CODE</b>	<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>  <b>SCSB / BANK BRANCH SERIAL NO.</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr./Ms. _____ _____ _____ Age _____ Tel. No. (with STD code) / Mobile _____ <b>2. PAN OF SOLE/FIRST APPLICANT</b> _____ <b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> INDL <input type="checkbox"/> CDSL _____ For NRI, enter 8 digit DPID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID _____ <input type="checkbox"/> PHYSICAL																																																						
<b>PLEASE CHANGE STAMP &amp; SIGNATURE</b>																																																								
<b>4. FSIOM (as per last Application or Revision)</b> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Option:</th> <th colspan="7">No. of Equity Shares applied (Application must be in multiples of 2000 equity shares) (In Figures)</th> <th colspan="3">Price per Equity Share (₹24/-) (In Figures)</th> </tr> <tr> <th>7</th><th>6</th><th>5</th><th>4</th><th>3</th><th>2</th><th>1</th> <th>Issue Price</th> <th>Discount, if any</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td> </tr> <tr> <td>(OR) Option 2</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td>NOT APPLICABLE</td> <td>NOT APPLICABLE</td> <td>NOT APPLICABLE</td> </tr> <tr> <td>(OR) Option 3</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td>NOT APPLICABLE</td> <td>NOT APPLICABLE</td> <td>NOT APPLICABLE</td> </tr> </tbody> </table>			Option:	No. of Equity Shares applied (Application must be in multiples of 2000 equity shares) (In Figures)							Price per Equity Share (₹24/-) (In Figures)			7	6	5	4	3	2	1	Issue Price	Discount, if any	Net Price	Option 1											(OR) Option 2								NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE	(OR) Option 3								NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE
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<b>7. PAYMENT DETAILS</b> <b>PAYMENT OPTION : Full Payment</b> Amount Blocked (₹ in Figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____																																																								
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Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____																																																								
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<b>COMMON REVISION FORM</b>	<b>MAC HOTELS LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR</b> Registered Office: First Floor, Beach Plaza (Annexoe), Nomin, Caranzalem, Ilhas, Goa, Panaji - 403001, Goa, India CIN: U55101GA1990PLC001100 Tel: 0832-2464299, Fax No: [•]; Email: investor@machotels.net; Website: www.machotels.net	<b>FOR NRIs, FIIs, FVCI ETC. APPLYING ON A REPATRIATION BASIS</b>
 To, The Board of Directors <b>MAC HOTELS LIMITED</b>	<b>FIXED PRICE SME ISSUE</b> ISIN : _____	Date : _____ Application Form No. _____
BROKER'S / SCSB / DP / RTA STAMP & CODE  SCSB / BANK BRANCH STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE  SCSB / BANK BRANCH SERIAL NO.	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr / Ms. _____ _____ _____ Age _____ Tel. No (with STD code) / Mobile _____
		<b>2. PAN OF SOLE/FIRST APPLICANT</b> _____
		<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <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 _____
PLEASE CHANGE MY APPLICATION <input type="checkbox"/> PHYSICAL		
<b>4. FROM (As per last Application or Revision)</b>		
<b>Options:</b> Option 1 (OR) Option 2 (OR) Option 3	No. of Equity Shares: applied (Application must be in multiples of equity shares) (In Figures)	Price per Equity Share (₹) /- (In Figures)
	7 6 5 4 3 2 1	Issue Price      Discount, if any      Net Price 4 3 2 1      4 3 2 1      4 3 2 1
	NOT APPLICABLE NOT APPLICABLE	NOT APPLICABLE NOT APPLICABLE
<b>5. TO (Revised Application)</b>		
<b>Options:</b> Option 1 (OR) Option 2 (OR) Option 3	No. of Equity Shares: applied (Application must be in multiples of equity shares) (In Figures)	Price per Equity Share (₹) /- (In Figures)
	7 6 5 4 3 2 1	Issue Price      Discount, if any      Net Price 4 3 2 1      4 3 2 1      4 3 2 1
	NOT APPLICABLE NOT APPLICABLE	NOT APPLICABLE NOT APPLICABLE
<b>7. PAYMENT DETAILS</b> <b>PAYMENT OPTION : Full Payment</b>		
Amount Blocked (₹ 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 ABRIDGED PROSPECTUS 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.		
<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b>  Date: _____, 2017	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	<b>BROKER / SCSB / DP / RTA STAMP</b> (Acknowledging upload of Application in Stock Exchange System)
TEAR HERE		
 <b>MAC HOTELS LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR</b>	Acknowledgement Slip for Broker/SCSB/DP/RTA	Application Form No. _____
DPID / CLID _____	PAN _____	
Additional Amount Blocked (₹ in figures) _____ ASBA Bank A/c No. _____ Received from Mr./Ms. _____ Telephone / Mobile _____      Email _____	Bank & Branch _____ SCSB Branch Stamp & Signature _____	
TEAR HERE		
<b>MAC HOTELS LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR</b>	Option 1      Option 2      Option 3 No. of Equity Shares _____ Issue Price _____ Additional Amount Blocked (₹) _____ ASBA Bank A/c No.: _____ Bank & Branch: _____	Stamp & Signature of Broker / SCSB / DP / RTA _____ Name of Sole / First Applicant _____ Acknowledgment Slip for Applicant _____ Application Form No. _____



#### 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’

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.

In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed ₹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

- All Applicants are required to make payment of the full application amount along with the Revision Form.
- Applicant may Offer 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

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

#### SECTION 5: OFFER PROCEDURE IN FIXED PRICE OFFER

##### 5.1 Applicants May Note That There Is No Bid Cum Application Form In A Fixed Price Offer

As the Offer Price is mentioned in the Fixed Price Offer 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.

Applicants may submit an Application Form either in physical form to the any of the Application Collecting Intermediaries or in the electronic form to the SCSB or the Designated branches of the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Offer Opening Date.

In a fixed price Offer, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

##### 5.2 Grounds 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 Offer;
- Applications for number of Equity Shares which are not in multiples of 10,000;
- 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, Offer 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 ₹2,00,000, received after 3.00 pm on the Offer Closing Date, unless the extended time is permitted by BSE;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Format the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges; and
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form.

Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of 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: OFFER PROCEDURE IN BOOK BUILT OFFER**

This being Fixed Price Offer, this section is not applicable for this Offer.

#### **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

##### **7.1 Basis of Allotment**

Allotment will be made in consultation with the SME Platform of BSE (the Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- (b) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c) For applications where the proportionate allotment works out to less than 6000 equity shares the allotment will be made as follows:
- (d) Each successful Applicant shall be allotted 6000 equity shares; and
- (e) 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 (b) above.
- (f) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 6000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 6000 equity shares subject to a minimum allotment of 6000 equity shares.



- (g) 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 6000 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 Offer that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:

As per Regulation 43 (4) of SEBI ICDR Regulations, 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.

The balance net offer of shares to the public shall be made available for allotment to:

- Individual applicants other than retails individual investors and other investors, including corporate bodies/institutions irrespective of number of shares applied for.
- The unsubscribed portion of the net offer to any one of the categories specified in i) or ii) 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 ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.
- The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Offer 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**

**Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Offer Account with the Bankers to the Offer.

**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 Offer.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Offer.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract. 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 Offer 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 Offer Account on the Designated Date.

## **SECTION 8: INTEREST AND UNBLOCKING**

### **8.1 Completion of Formalities for Listing & Commencement of Trading**



The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Offer Closing Date. The Registrar to the Offer may give instructions for credit to Equity Shares the beneficiary account with DPs and dispatch the Allotment Advice within 6 Working Days of the Offer 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 finalized.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith 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, 2013 and as disclosed in the Prospectus.

### **8.2.2 Minimum Subscription**

This Offer is not restricted to any minimum subscription level. This Offer 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 Offer through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Offer, the Issuer 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, 2013 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

### **8.2.3 Minimum Number of Allottees**

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be unblocked forthwith.

## **8.3 Mode of Refund**

Within 6 Working Days of the Offer Closing Date, the Registrar to the Offer 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 Offer 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 Offer.

## **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 Offer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Offer 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 Offer 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 Manager, 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	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an offer during the Offer Period by a prospective Applicant pursuant to submission of Application Form, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications there to.
Application Amount	The value indicated in the Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of Offers other than Book Built Offers, includes Fixed Price Offer
Application Intermediaries	Collecting an SCSB, with whom the bank account to be blocked, is maintained a syndicate member or sub-syndicate member 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') a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) a registrar to an Offer and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Applicants to make an Application authorizing an SCSB to block the Application Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
Banker(s) to the Offer/Public Offer Bank and Refund Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer/ Public Offer Bank and Refund Banker with whom the Public Offer Account(s) and Refund Account may be opened, and as disclosed in the Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Offer
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009,



Term	Description
Broker Centres	Broker centres notified by the Stock Exchanges, where Applicants can submit the Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extent notified)
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Designated SCSBs Branches	Such branches of the SCSBs which may collect the Application Forms and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a>
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts to the Public Offer Account of the Issuer after the Prospectus is filed with the ROC, following which the board of directors may Allot Equity Shares to successful Applicants in the Offer
Designated Intermediaries/Collecting Agents	SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Discount	Discount to the Offer Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Prospectus	The Prospectus filed with Stock Exchange in case of Fixed Price Offers and which may mention a price
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new Company, persons in the permanent and full-time employment of the promoting companies excluding the 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
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India



Term	Description
First Applicant	The Applicant whose name appears first in the Application Form or Revision Form
Fixed Price Offer/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer 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
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
IPO	Initial public offering
Offer	Public Offer of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer Closing Date	The date after which the SCSBs may not accept any application for the Offer, 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 Offer Closing Date
Offer Opening Date	The date on which the SCSBs may start accepting application for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Offer Opening Date
Offer Period	The period between the Offer Opening Date and the Offer 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 Offer Period for QIBs one working day prior to the Offer Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Offer Period
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Offer 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/ LM	The Lead Manager to the Offer as disclosed in the Prospectus and the 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
Net Offer	The Offer less reservation portion
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Applied for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs and FVCIs
NRE Account	Non-Resident External Account





Term	Description
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
OCB/Overseas Corporate Body	A Company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Offer. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Pricing Date	The date on which the Issuer in consultation with the Lead Manager(s), finalize the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 and 28 of Companies Act 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information
Public Offer Account	An account opened with the Banker to the Offer to receive monies from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
RTGS	Real Time Gross Settlement
Refunds through electronic transfer of funds	Refunds through ASBA
Registrar and Share Transfer Agents or RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Offer/RTI	The Registrar to the Offer as disclosed in the Prospectus and Application Form
Reservation Portion	The portion of the Offer reserved for such 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 Offer being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum application lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Retail Individual Investors / RIIs	Investors who applies for a value of not more than ₹200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than ₹200,000.
Revision Form	The form used by the Applicant in an Offer to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
ROC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009



<b>Term</b>	<b>Description</b>
Self-Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Specified Locations	Collection centers where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation
SME Issuer	The Company making the Offer under chapter XB of SEBI (ICDR) Regulation
Stock Exchanges/ SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Underwriters	GreteX Corporate Services Pvt Ltd & Altina Securities Pvt Ltd
Underwriting Agreement	The agreement dated May 15, 2018 entered into between the Underwriters and our Company and addendum dated September 05, 2018
Working Day	Till Application / Offer closing date: All days other than a Saturday Sunday or a public holiday  Post Application / Offer closing date and till the Listing of Equity Shares: All trading days, of stock exchanges excluding Sundays and public holidays, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 India.



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“FEMA”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government of India has from time to time 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 2017 (“FDI Policy 2017”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.**

**Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Prospectus as "U.S. QIBs" pursuant to the private placement exemption set out in Section 4(a)(2) of the Securities Act; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "QIBs"), in transactions exempt from the registration requirements of the Securities Act and (b) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The above information is given for the benefit of the Bidders. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**



## SECTION IX: 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.	<b>Table F Applicable.</b>
	<b>Interpretation Clause</b>	
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.	<b>Act</b>
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) "The Company" shall mean MAC HOTELS LIMITED	<b>Company</b>
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	<b>Executor or Administrator</b>
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>



Sr. No	Particulars	
	(j) The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	(k) "Meeting" or "General Meeting" means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) "Month" means a calendar month.	<b>Month</b>
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary General Meeting</b>
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting on Poll and includes attorney duly constituted under the power of attorney.	<b>Proxy</b>
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	<b>Register of Members</b>
	(v) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	<b>Special Resolution</b>
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>



Sr. No	Particulars	
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
	<b>CAPITAL</b>	
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	<b>Authorized Capital.</b>
	b) The minimum paid up Share capital of the Company shall be Rs.1,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	<b>Increase of capital by the Company how carried into effect</b>
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<b>New Capital same as existing capital</b>
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	<b>Non Voting Shares</b>
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	<b>Redeemable Preference Shares</b>
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	<b>Voting rights of preference shares</b>



Sr. No	Particulars	
9.	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	<b>Provisions to apply on issue of Redeemable Preference Shares</b>
10.	<p>The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	<b>Reduction of capital</b>
11.	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>	<b>Debentures</b>
12.	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>	<b>Issue of Sweat Equity Shares</b>





Sr. No	Particulars	
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	<b>ESOP</b>
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	<b>Buy Back of shares</b>
15.	Subject to the provisions of Section 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.	<b>Consolidation, Sub-Division And Cancellation</b>
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	<b>Issue of Depository Receipts</b>
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	<b>Issue of Securities</b>
<b>MODIFICATION OF CLASS RIGHTS</b>		
18.	<p>(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.</p>	<b>Modification of rights</b>
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>



Sr. No	Particulars	
19.	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.	<b>Shares at the disposal of the Directors.</b>
20.	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.	<b>Power to issue shares on preferential basis.</b>
21.	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.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	<b>Acceptance of Shares.</b>
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	<b>Directors may allot shares as full paid-up</b>
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him, accordingly.	<b>Deposit and call etc. to be a debt payable immediately.</b>
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	<b>Liability of Members.</b>



Sr. No	Particulars	
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	<b>Registration of Shares.</b>
	<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>	
27.	The Board shall observe the restrictions as regards allotment of shares to the public and as regards return on allotments contained in Sections 39 of the Act.	
	<b>CERTIFICATES</b>	
28.	<p>(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 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, if any, 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</p>	<b>Share Certificates.</b>



Sr. No	Particulars	
	provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.	
29.	<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 is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	<b>Issue of new certificates in place of those defaced, lost or destroyed.</b>
30.	(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.	<b>The first named joint holder deemed Sole holder.</b>
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	<b>Maximum number of joint holders.</b>
31.	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.	<b>Company not bound to recognise any interest in share other than that of registered holders.</b>
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment 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.	<b>Instalment on shares to be duly paid.</b>
	<b>UNDERWRITING AND BROKERAGE</b>	



Sr. No	Particulars	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	<b>Commission</b>
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
<b>CALLS</b>		
35.	(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.	<b>Directors may make calls</b>
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	<b>Notice of Calls</b>
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	<b>Calls to date from resolution.</b>
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis.</b>
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	<b>Directors may extend time.</b>
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall	<b>Calls to carry interest.</b>



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	render it obligatory for the Board to demand or recover any interest from any such member.	
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	<b>Sums deemed to be calls.</b>
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	<b>Proof on trial of suit for money due on shares.</b>
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>
44.	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	<b>Payments in Anticipation of calls may carry interest</b>
	<b>LIEN</b>	



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45.	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.	<b>Company to have Lien on shares.</b>
46.	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.	<b>As to enforcing lien by sale.</b>
47.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	<b>Application of proceeds of sale.</b>
<b>FORFEITURE AND SURRENDER OF SHARES</b>		
48.	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 instalments 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 instalments 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 instalments 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.	<b>If call or installment not paid, notice may be given.</b>





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49.	<p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalments and such interest thereon as the Directors shall determine from the day on which such call or instalments ought to have been paid and expenses as aforesaid are to be paid.</p> <p>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or instalments is payable will be liable to be forfeited.</p>	<b>Terms of notice.</b>
50.	<p>If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, 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.</p>	<b>On default of payment, shares to be forfeited.</b>
51.	<p>When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.</p>	<b>Notice of forfeiture to a Member</b>
52.	<p>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.</p>	<b>Forfeited shares to be property of the Company and may be sold etc.</b>
53.	<p>Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest 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.</p>	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
54.	<p>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.</p>	<b>Effect of forfeiture.</b>
55.	<p>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.</p>	<b>Evidence of Forfeiture.</b>
56.	<p>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</p>	<b>Title of purchaser and allottee of Forfeited shares.</b>



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	irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	
57.	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.	<b>Cancellation of share certificate in respect of forfeited shares.</b>
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	<b>Forfeiture may be remitted.</b>
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	<b>Validity of sale</b>
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	<b>Surrender of shares.</b>
	<b>TRANSFER AND TRANSMISSION OF SHARES</b>	
61.	(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.	<b>Execution of the instrument of shares.</b>
62.	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;	<b>Transfer Form.</b>
63.	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	<b>Transfer not to be registered except on production of instrument of transfer.</b>



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	<p>by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.</p>	
64.	<p>Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—</p> <p>(a) any transfer of shares on which the company has a lien.</p> <p>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;</p>	<b>Directors may refuse to register transfer.</b>
65.	<p>If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.</p>	<b>Notice of refusal to be given to transferor and transferee.</b>
66.	<p>No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.</p>	<b>No fee on transfer.</b>
67.	<p>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.</p>	<b>Closure of Register of Members or debentureholder or other security holders..</b>
68.	<p>The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.</p>	<b>Custody of transfer Deeds.</b>
69.	<p>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.</p>	<b>Application for transfer of partly paid shares.</b>



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70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	<b>Notice to transferee.</b>
71.	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder and his nominee or nominees or legal representatives where he was a sole holder, shall be the only 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.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	<b>Recognition of legal representative.</b>
72.	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 Act.	<b>Titles of Shares of deceased Member</b>
73.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	<b>Notice of application when to be given</b>
74.	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	<b>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</b>



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	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'.	
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	<b>Refusal to register nominee.</b>
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	<b>Board may require evidence of transmission.</b>
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>
78.	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.	<b>Form of transfer Outside India.</b>
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
	<b>NOMINATION</b>	
80.	<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 Act 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 Act read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p>	<b>Nomination</b>



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	<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>	
81.	<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 Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	<b>Transmission of Securities by nominee</b>
	<b>DEMATERIALIZATION OF SHARES</b>	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	<b>Dematerialisation of Securities</b>
	<b>JOINT HOLDER</b>	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	<b>Joint Holders</b>
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit	<b>Title of survivors.</b>



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	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;	
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient.</b>
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	<b>Delivery of certificate and giving of notices to first named holders.</b>
	<b>SHARE WARRANTS</b>	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	<b>Power to issue share warrants</b>
86.	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	<b>Deposit of share warrants</b>
87.	<p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	<b>Privileges and disabilities of the holders of share warrant</b>
88.	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.	<b>Issue of new share warrant coupons</b>
	<b>CONVERSION OF SHARES INTO STOCK</b>	





Sr. No	Particulars	
89.	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>	<b>Conversion of shares into stock or reconversion.</b>
90.	<p>The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.</p>	<b>Transfer of stock.</b>
91.	<p>The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p>	<b>Rights of stock holders.</b>
92.	<p>Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.</p>	<b>Regulations.</b>
<b>BORROWING POWERS</b>		
93.	<p>Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.</p>	<b>Power to borrow.</b>
94.	<p>Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.</p>	<b>Issue of discount etc. or with special privileges.</b>
95.	<p>The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board 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</p>	<b>Securing payment or repayment of Moneys borrowed.</b>



Sr. No	Particulars	
	future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	
96.	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.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
97.	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.	<b>Mortgage of uncalled Capital.</b>
98.	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.	<b>Indemnity may be given.</b>
<b>MEETINGS OF MEMBERS</b>		
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(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.	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice.</b>



Sr. No	Particulars	
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	<b>Chairman of General Meeting</b>
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
104.	<p>a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	<b>Chairman with consent may adjourn meeting.</b>
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote.</b>
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	<b>Demand for poll not to prevent transaction of other business.</b>
	<b>VOTES OF MEMBERS</b>	
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	<b>Members in arrears not to vote.</b>
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands	<b>Number of votes each member entitled.</b>



Sr. No	Particulars	
	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.	
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	<b>Casting of votes by a member entitled to more than one vote.</b>
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.	<b>Vote of member of unsound mind and of minor</b>
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	<b>Postal Ballot</b>
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
114.	<p>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 joint holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	<b>Votes of joint members.</b>
115.	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 and as per provisions of the Act.	<b>Votes may be given by proxy or by representative</b>
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate	<b>Representation of a body corporate.</b>



Sr. No	Particulars	
	as if it were an individual member, creditor or holder of debentures of the Company.	
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	<b>Members paying money in advance.</b>
	(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.	<b>Members not prohibited if share not held for any specified period.</b>
118.	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.	<b>Votes in respect of shares of deceased or insolvent members.</b>
119.	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.	<b>No votes by proxy on show of hands.</b>
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	<b>Appointment of a Proxy.</b>
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy.</b>
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	<b>Validity of votes given by proxy notwithstanding death of a member.</b>
123.	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	<b>Time for objections to votes.</b>



Sr. No	Particulars	
	tendered and every vote not disallowed at such meeting shall be valid for all purposes.	
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
	<b>DIRECTORS</b>	
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	<b>Number of Directors</b>
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification shares.</b>
127.	<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 Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	<b>Nominee Directors.</b>
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	<b>Appointment of alternate Director.</b>



Sr. No	Particulars	
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	<b>Additional Director</b>
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	<b>Directors power to fill casual vacancies.</b>
131.	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.	<b>Sitting Fees.</b>
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	<b>Travelling expenses Incurred by Director on Company's business.</b>
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.  (b) A director may and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	<b>Meetings of Directors.</b>
134.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.  b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	<b>Chairperson</b>
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	<b>Questions at Board meeting how decided.</b>
136.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>





Sr. No	Particulars	
137.	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.	<b>Delegation of Powers to committee.</b>
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	<b>Committee Meetings how to be governed.</b>
139.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	<b>Chairperson of Committee Meetings</b>
140.	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.	<b>Meetings of the Committee</b>
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>
<b>RETIREMENT AND ROTATION OF DIRECTORS</b>		
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	<b>Power to fill casual vacancy</b>
<b>POWERS OF THE BOARD</b>		
143.	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	<b>Powers of the Board</b>



Sr. No	Particulars	
	in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	<b>Certain powers of the Board</b>
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	<b>To acquire any property , rights etc.</b>
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	<b>To take on Lease.</b>
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	<b>To erect &amp; construct.</b>
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	<b>To pay for property.</b>
	(5) To insure and keep insured against loss or damage by 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.	<b>To insure properties of the Company.</b>
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	<b>To open Bank accounts.</b>
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of	<b>To secure contracts by way of mortgage.</b>



Sr. No	Particulars	
	the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	<b>To accept surrender of shares.</b>
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	<b>To appoint trustees for the Company.</b>
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	<b>To conduct legal proceedings.</b>
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</b>
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	<b>To issue receipts &amp; give discharge.</b>
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	<b>To invest and deal with money of the Company.</b>
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	<b>To give Security by way of indemnity.</b>
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	<b>To determine signing powers.</b>
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	<b>Commission or share in profits.</b>



Sr. No	Particulars	
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	<b>Bonus etc. to employees.</b>
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	<b>Transfer to Reserve Funds.</b>
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	<b>To appoint and remove officers and other employees.</b>
	(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	<b>To appoint Attorneys.</b>



Sr. No	Particulars	
	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.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	<b>To enter into contracts.</b>
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	<b>To make rules.</b>
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	<b>To effect contracts etc.</b>
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	<b>To apply &amp; obtain concessions licenses etc.</b>
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	<b>To pay commissions or interest.</b>
	(26) To redeem preference shares.	<b>To redeem preference shares.</b>
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which any moral or other claim shall have to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	<b>To assist charitable or benevolent institutions.</b>
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (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	



Sr. No	Particulars	
	<p>creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p>	
	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	<b>MANAGING AND WHOLE-TIME DIRECTORS</b>	
145.	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	<b>Powers to appoint Managing/ Wholetime Directors.</b>





Sr. No	Particulars	
	<p>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>	
146.	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.	<b>Remuneration of Managing or Wholetime Director.</b>
147.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	<b>Powers and duties of Managing Director or Whole-time Director.</b>





Sr. No	Particulars	
	<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>	
148.	<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>	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>
	<b>THE SEAL</b>	
149.	<p>(a) The Board, if so resolved, may or may not provide a Common Seal for the purposes of the Company and if provided have power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	<b>The seal, its custody and use.</b>
150.	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 any one directors and of the secretary or such other person as the Board may appoint for the purpose; and those director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	<b>Deeds how executed.</b>
	<b>Dividend and Reserves</b>	
151.	<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</p>	<b>Division of profits.</b>



Sr. No	Particulars	
	issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	<b>The company in General Meeting may declare Dividends.</b>
153.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	<b>Transfer to reserves</b>
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	<b>Interim Dividend.</b>
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted.</b>
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	<b>Capital paid up in advance not to earn dividend.</b>
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	<b>Dividends in proportion to amount paid-up.</b>
158.	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.	<b>Retention of dividends until completion of transfer under Articles .</b>
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>



Sr. No	Particulars	
<b>161.</b>	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	<b>Dividend to joint holders.</b>
<b>162.</b>	<p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	<b>Dividends how remitted.</b>
<b>163.</b>	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	<b>Notice of dividend.</b>
<b>164.</b>	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>
	<b>CAPITALIZATION</b>	
<b>165.</b>	<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>	<b>Capitalization.</b>



Sr. No	Particulars	
166.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	<b>Fractional Certificates.</b>
167.	<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>	<b>Inspection of Minutes Books of General Meetings.</b>
168.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	<b>Inspection of Accounts</b>
	<b>FOREIGN REGISTER</b>	
169.	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,	<b>Foreign Register.</b>



Sr. No	Particulars	
	make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	
	<b>DOCUMENTS AND SERVICE OF NOTICES</b>	
170.	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.	<b>Signing of documents &amp; notices to be served or given.</b>
171.	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.	<b>Authentication of documents and proceedings.</b>
	<b>WINDING UP</b>	
172.	<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>	
	<b>INDEMNITY</b>	
173.	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.	<b>Directors' and others right to indemnity.</b>



Sr. No	Particulars	
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	<b>Not responsible for acts of others</b>
	<b>SECRECY</b>	
175.	(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.	<b>Secrecy</b>
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	<b>Access to property information etc.</b>



## SECTION X: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the ROC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at First Floor, Beach Plaza(Annexue), Nomxin, Caranzalem, Panaji – 403 001, Goa, India from date of filing the Prospectus with ROC to Offer Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### Material Contracts

1. Offer Agreement dated May 15, 2018 between our Company, Selling Shareholder and the Lead Manager.
2. Registrar Agreement dated May 15, 2018 between our Company, Selling Shareholder and the Registrar to the Offer.
3. Underwriting Agreement dated May 15, 2018 between our Company, Selling Shareholder, the Lead Manager and Underwriter
4. Addendum to Underwriting agreement dated September 05, 2018 between our Company, Selling Shareholder, the Lead Manager and Underwriter
5. Share Escrow Agreement dated May 15, 2018 between our Company, the Selling Shareholder, the Lead Manager and the Share Escrow Agent.
6. Market Making Agreement dated May 15, 2018 between our Company, Lead Manager and Market Maker.
7. Addendum to Market Making agreement dated September 05, 2018 between our Company, the Lead Manager and Market maker.
8. Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated December 19, 2017
9. Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated January 19, 2018.
10. Banker's to the Offer Agreement dated May 15, 2018 between our Company, Selling Shareholder, the Lead Manager, Escrow Collection Bank and the Registrar to the Offer.

#### Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board resolution dated May 09, 2018 and special resolution passed pursuant to Section 28 of the Companies Act, 2013 at the EGM by the shareholders of our Company held on May 10, 2018.
3. Resolution of the Board of Directors of Hotel Miramar Comfort Private Limited dated May 07, 2018 and special resolution passed by the shareholders of Hotel Miramar Comfort Private Limited at the EGM dated May 08, 2018 authorizing the offer.
4. Authorisation letter dated May 08, 2018 issued by selling shareholder Hotel Miramar Comfort Private Limited
5. Statement of Possible Tax Benefits dated September 03, 2018 issued by the peer review certified auditor, N.K Aswani & Co., Chartered Accountants.



***Mac Hotels Limited***



6. Copy of Restated Audit report from the peer review certified auditor, N.K Aswani & Co, Chartered Accountants, dated September 03, 2018 included in the Prospectus.
7. Consents of Directors, Promoter, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Legal Advisor to the Offer, Bankers to our Company, Banker to the Offer, Lead Manager, Registrar to the Offer, Underwriters and Market Maker to include their names in the Prospectus to act in their respective capacities.
8. Due Diligence Certificate dated May 15, 2018 from the Lead Manager to BSE Limited.
9. Copy of Approval dated June 25, 2018 from the SME Platform of BSE Limited.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



**DECLARATION BY SELLING SHAREHOLDER**

Hotel Miramar Comfort Private Limited certifies that all statements expressly made or confirmed by it in this Prospectus about and in relation solely to itself and the Equity Shares being offered by it in the Offer for Sale, are true and correct. Hotel Miramar Comfort Private Limited assumes no responsibility for any other statements, including, inter-alia, any of the statements made by or relating to the Company, other Selling Shareholders, their respective businesses or by any expert or other persons in this Prospectus.

Signed on behalf of Selling Shareholder

\_\_\_\_\_  
Name:

Designation:

(Authorised Signatory)

\_\_\_\_\_  
Name:

Designation:

(Authorised Signatory)

Date: September 06, 2018

Place: Panaji, Goa



**DECLARATION**

All the relevant provisions of the Companies Act, 1956 / Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 1956 / Companies Act, 2013 (to the extent notified) the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in this Prospectus are true and correct.

Signed by all the Directors of our Company

Name and Designation	Signature
Edgar Maximiano Do Rosario Cotta <b>Managing Director</b>	Sd/-
Edwin E R Cotta <b>Chairman and Whole Time Director</b>	Sd/-
Ingrid Cotta <b>Non-Executive Director</b>	Sd/-
Ephrem Frederick Mendanha <b>Independent Director</b>	Sd/-
Blaise Lawrence Costabir <b>Independent Director</b>	Sd/-

Signed by the Chief Financial Officer and the Company Secretary and Compliance Officer of our Company

Sd/-  
**Jose Schubert De Cotta**  
*Chief Financial Officer*

Sd/-  
**Priyanka Sen**  
*Company Secretary and Compliance Officer*

Place: Panaji, Goa

Date: September 06, 2018



## Annexure A

**FORMAT FOR DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE SERVICES PRIVATE LIMITED**

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (in ₹)	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	Dhruv Wellness Limited	5.56	20.00	12-09-2017	19.60	2.82, [0.07]	2.56, [4.03]	7.18, [5.47]
2	A&M Febcon limited	6.68	18.00	14-09-2017	18.00	-11.11, [1.21]	-23.89, [2.52]	-37.50, [5.01]
3	Sagar Diamonds Limited	15.21	45.00	26-09-2017	45.00	-21.55, [4.90]	-6.85, [7.63]	-38.05, [4.64]
4	Siddharth Education Services Limited	10.88	35.00	12-10-2017	36.90	20.83, [2.65]	0.24, [6.99]	-34.05, [5.28]
5	Diggi Multitrade Limited	3.38	13.00	22-12-2017	13.25	-1.00, [5.47]	-22.87, [-2.75]	-41.90, [4.73]
6	Kids medical Limited	6.00	30.00	22-12-2017	32.40	-2.47, [5.47]	63.61, [-2.75]	-16.45, [4.73]
7	Suumaya Life Style Limited	13.84	18.00	04-06-2018	18.00	2.52, [1.33]	N.A.	N.A.
8	Debock Sales and Marketing Limited	4.44	20.00	05-06-2018	20.95	-18.18, [1.48]	N.A.	N.A.
9	Deep Polymers Limited	15.24	40.00	23-08-2018	41.90	N.A.	N.A.	N.A.
10	Aaron Industries Limited	4.78	38.00	03-09-2018	38.50	N.A.	N.A.	N.A.

**Note:**

- The BSE SENSEX & CNX NIFTY are considered as the Benchmark Index.
- Price on BSE/NSE are considered for all the above calculations
- In case 30th, 90th and 180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered. The following scrips have fallen under this category:
  - A&M Febcon Limited



**Mac Hotels Limited**

- b) Siddharth Education Services Limited
- c) Diggi Multitrade Limited
- d) Kids Medical Limited
- e) Suumaya Lifestyle Limited
- f) Sagar Diamonds Limited
- g) Dhruv Wellness Limited
- h) Debock Sales and Marketing Limited

d. In case 30th, 90th and 180th day, scripts are not traded then last trading price has been considered. The following scripts have fallen under this category:

- a) Dhruv Wellness Limited
- b) Sagar Diamonds Limited
- c) A&M Febcon Limited
- d) Siddharth Education Services Limited
- e) Diggi Multitrade Limited
- f) Kids Medical Limited

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

**Summary statement of Disclosure:**

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30th calendar day from listing day			Nos. of IPOs trading at premium - 30th calendar day from listing day			Nos. of IPOs trading at discount - 180th calendar day from listing day			Nos. of IPOs trading at premium - 180th calendar day from listing day		
			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%
2016-17	2	10.52	N.A	N.A	1	N.A	N.A	1	N.A	N.A	2	N.A	N.A	N.A
2017-18	8	62.94	N.A	N.A	4	N.A	N.A	4	N.A	4	1	N.A	1	2
2018-19 <sup>s</sup>	4	38.30	N.A	N.A	1	N.A	N.A	1	N.A	N.A	N.A	N.A	N.A	N.A

\$ Upto September 06, 2018