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DRAFT PROSPECTUS

Dated: May 17, 2018

Please read Section 26 & 32 of the Companies Act, 2013

100 % Fixed Price Issue

## SALEBHAI INTERNET LIMITED

(Formerly known as Salebhai Internet Private Limited)

Corporate Identity Number: - U51101GJ2015PLC082801

Our Company was originally incorporated as "Salebhai Internet Private Limited" on April 06, 2015 under the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat vide CIN No. U51101GJ2015PTC082801. Subsequently, pursuant to shareholders resolution passed in the Extra-ordinary General Meeting held on February 01, 2018 our Company was converted into a public company and consequently name was changed to "Salebhai Internet Limited" vide fresh certificate of incorporation dated February 12, 2018 issued by Registrar of Companies, Ahmedabad, Gujarat. For details of the changes in our name and registered office, please refer to the chapter titled 'History and Corporate Structure' beginning on page no. 135 of this Draft Prospectus.

Registered Office: 307-A.C/o Safal Pegashis, Opp. Kiran Motors, 100ft Road, Opp: Rivera Bungalows, Prahalad Nagar, Vejalpur Ahmedabad Gujarat – 380015.

Contact Person: Ms. Chitra Thakar (Company Secretary & Compliance officer)

Tel No: 079 - 4899 9917,

E-mail: compliance@salebhai.com,

Website: www.salebhai.com

Promoter of our Company: MR. VISHWAVIJAY M. SINGH, MR. ANANDPRAKASH VARANI, AND MS. PURBA KALITA

### THE ISSUE

**PUBLIC ISSUE OF 22,59,600 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH ("EQUITY SHARES") OF SALEBHAI INTERNET LIMITED ("OUR COMPANY" OR "THE ISSURE") FOR CASH AT A PRICE Rs. 105/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF Rs. 95/- PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO Rs. 2372.58 LAKHS ("THE ISSUE"), OF WHICH 1,16,400 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH FOR A CASH PRICE OF Rs. 105/- PER EQUITY SHARE, AGGREGATING TO Rs. 122.22 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 21,43,200 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH AT AN ISSUE PRICE OF Rs. 105/- PER EQUITY SHARE AGGREGATING TO Rs. 2250.36 LAKHS (IS HEREINAFTER REFERRED TO AS THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.58% AND 25.21%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE NO. 216 OF THIS DRAFT PROSPECTUS.**

**THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH AND THE ISSUE PRICE IS RS. 105/-. THE ISSUE PRICE IS 10.5 TIMES OF THE FACE VALUE.**

**THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 (THE "SEBI ICDR REGULATIONS"), AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 43(4) OF THE SEBI (ICDR) REGULATIONS, 2009, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "ISSUE PROCEDURE" BEGINNING ON PAGE NO. 226 OF THIS PROSPECTUS.**

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential Investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For further details, please refer to section titled "Issue Procedure" beginning on page no. 226 of this Prospectus.

**The Copy of final Prospectus would be Delivered For Registration To The Registrar Of Companies As Required Under Section 26 Of Companies Act, 2013**

### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page no. 226 of this Prospectus.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares of the Company is Rs. 10.00 per equity share and the Issue Price is 10 times of the face value. The Issue Price (has been determined and justified by our Company in consultation with the Lead Manager as stated under the paragraph 'Basis for Issue Price' on page no. 93 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the "Risk Factors" carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Prospectus. **Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page no. 19 of this Prospectus.**

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the SME Platform of Bombay Stock Exchange ("BSE" i.e. "BSE SME PLATFORM"). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended, our Company has received an in-principle approval letter dated [●] from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be the BSE.

### LEAD MANAGER TO THE ISSUE



#### MONARCH NETWORK CAPITAL LIMITED,

Address - Monarch House, Opp., Ishwar Bhuvan, Commerce Six Road, Navrangpura, Ahmedabad - 380014. Tel. No. - 079 - 6600 0500/ 700

Website: <https://www.mnclgroup.com/> Email: shivam.patel@mnclgroup.com

Investor Grievance Email: mbd@mnclgroup.com

Contact Person: Mr. Shivam Patel SEBI Regn. No. MB/ INM000011013

### REGISTRAR TO THE ISSUE



#### SKYLINE FINANCIAL SERVICES PRIVATE LIMITED,

Address 4A9, Gundecha Onclave, Kherani Road, Sakinaka, Mumbai - 400072

Tel. No. +91-22-28511022 / 62215779 Website: [www.skylinerta.com](http://www.skylinerta.com)

Email: viren@skylinerta.com SEBI Regn. No. INE 000003241

Investor Grievance Email: [grievances@skylinerta.com](mailto:grievances@skylinerta.com)

Contact Person: Virender Rana / Subhash Dhingreja

### ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

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## SECTION 1 – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.

The words and expressions used in this Draft Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the chapter titled “**Statement of Tax Benefits**”, Sections titled “**Financial Information of the Company**” and “**Main Provisions of Articles of Association**” on page nos.96, 165 and 282 respectively, shall have the meaning ascribed to such terms in such sections.

#### General Terms

Terms	Description
“SIL”, “the Company”, “our Company” and Salebhai Internet Limited	Salebhai Internet Limited, a company incorporated in India under the Companies Act 2013 having its Registered office at 307-A,C/o Safal Pegashis, Opp. Kiran Motors,100ft Road, Opp: Rivera Bunglows, Prahalad Nagar, Vejalpur, Ahmedabad, Gujarat – 380015 India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company
“you”, “your” or “yours”	Prospective investors in this Issue

#### Company Related Terms

Terms	Description
AOA / Articles / Articles of Association	Articles of Association of Salebhai Internet Limited, as amended from time to time.
Auditors/ Statutory Auditors	The Auditors of Salebhai Internet Limited being M/s. Sunil Dad & Co., Chartered Accountants, Ahmedabad.
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 and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015
Bankers to the Company	ICICI Bank
Board of Directors /the Board / our Board	The Board of Directors of Salebhai Internet Limited, including all duly constituted Committees thereof.
CIN	Corporate Identification Number.
Chief Executive Officer	The Chief Executive Office of our Company being Mr. Vishwavijay Singh
Chief financial Officer	The Chief financial Officer of our Company being Mr. Anandprakash Varani
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
IT Set up	204, Dwarkesh Complex, Off. Sun Pharma Road, Old Padra Road,

Terms	Description
	Atladara, Vadodara, Gujarat – 390012.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Chitra Thaker
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company.
Executive Directors	Executive Director is the Managing Director and Whole-time Director of our Company.
Group Companies	The word “group companies”, wherever they occur, shall include such companies as covered under the applicable accounting standards and also other companies as considered material by the board of the company as disclosed in “Our Group Companies” promoted by the Promoters on page no.157 of this Draft Prospectus.
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Independent Director	A non-executive & independent Director as per the Companies Act, 2013 and the Listing Regulations.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being – [●]
IT Act	The Income Tax Act, 1961 as amended till date
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see chapter titled “Our Management” on page no.139 of this Draft Prospectus.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Salebhai Internet Limited as amended from time to time.
Non Residents	A person resident outside India, as defined under FEMA Regulations, 2000.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRI/ Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s S. D. Motta & Associates, Chartered Accountants, Thane.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any

Terms	Description
	other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters	Shall mean promoters of our Company i.e. Mr. Vishwavijay Singh, Mr. Anandprakash Varani and Mrs. Purba Kalita.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(zb) of the SEBI (ICDR) Regulations as enlisted in the chapter titled “Our Promoters and Promoters Group” beginning on page no.153 of this Draft Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	307-A,C/o Safal Pegashis, Opp. Kiran Motors,100ft Road, Opp: Rivera Bungalows, Prahalad Nagar, Vejalpur, Ahmedabad, Gujarat – 380015 India.
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Information	The Standalone financial statements of our Company’s assets and liabilities as on March 31, 2016 and March 31, 2017 & period ended January 31, 2018 and the Standalone statements of profit and loss and cash flows for the period ended March 31, 2016 and March 31, 2017 & period ended January 31, 2018, of our Company are prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Revised Guidance Note on Reports in Company Prospectuses (Revised) issued by the ICAI, together with the schedules, notes and annexure thereto.
ROC/Registrar of Companies	Registrar of Companies, Ahmedabad, Gujarat.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/Listing Regulations/SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Shareholders	Holders of Equity Shares of our Company from time to time
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscriber to MOA & AOA being i.e. Mr. Vishwavijay Singh,

Terms	Description
	Mrs. Priyanka Singh, Mr. Anandprakash Varani, Mr. Gopal Shukla and Mrs. Prajwala Rao.
Stock Exchange	Unless the context requires otherwise, refers to, Bombay Stock Exchange Limited
Stakeholders Relationship Committee	Stakeholder's Relationship Committee of our Company constituted in accordance with Regulation 20 of the SEBI (LODR) Regulations and Companies Act, 2013.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(zn) of the SEBI Regulations

### Issue Related Terms

Terms	Description
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares pursuant to the Public Issue.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an applicant as proof of registration of the Application.
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.
Allottee (s)	A successful applicant to whom the Equity Shares are allotted
Applicant/Investor	Any Prospective Investor who makes an application pursuant to the terms of the Draft Prospectus and the Application Form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Draft Prospectus.
ASBA Account	Account maintained by the ASBA Investor with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Investor.
ASBA Application Location (s)/Specified Cities	Cities as specified in the SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Ahmedabad, Bangalore, Baroda (Vadodara), Chennai, Delhi, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Rajkot and Surat.
Bankers to the Company	ICICI Bank
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful applicants under the Issue and which is described in the chapter titled "Issue Procedure" beginning on page no. 226 of this Draft Prospectus.
Broker Centres	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE/ BSE LTD.	Bombay Stock Exchange (BSE Limited)
BSE SME	The SME platform of BSE, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter X-B of the SEBI ICDR Regulations.



Terms	Description
Business Day	Monday to Friday (except public holidays)
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity 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 Depository Participants 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
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, and Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of this Draft Prospectus.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> . Recognized-Intermediaries or at any such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Date	On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
Designated Intermediaries/Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an Issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	Monarch Network Capital Limited 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 any other period as may be notified by SEBI from time to time.
Designated Stock Exchange	Bombay Stock Exchange [BSE Ltd.] (SME Exchange)
DP	Depository Participant

Terms	Description
DP ID	Depository Participants Identity number.
Draft Prospectus	Draft Prospectus dated May 17, 2018 issued in accordance with Section 26 of the Companies Act, 2013.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs.10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Draft Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
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.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI.
GIR Number	General Index Registry Number.
IPO	Initial Public Offering
Issue Agreement	The Agreement dated March 06, 2018 between our Company and Lead Manager.
Issue Closing Date	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Opening Date	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Applicants can submit their Applications, including any revisions thereof.



Terms	Description
Issue Price	The price at which Equity Shares will be issued by the Company in terms of this Draft Prospectus i.e. Rs. 105/-per share.
Issue Size	The Public Issue of 22,59,600 Equity Shares of Face Value of Rs. 10/- each for Cash at a Price of Rs. 105/- Per Equity Share (Including a Share Premium of Rs. 95/-per Equity Share) aggregating to Rs. 2372.58 Lakhs.
Lead Manager/LM	Lead Manager to the Issue, in this case being Monarch Network Capital Limited, SEBI Registered Category I Merchant Bankers.
Market Making Agreement	The Market Making Agreement dated April 02, 2018 between our Company, Lead Manager and Market Maker
Market Maker Reservation Portion	The reserved portion of 1,16,400 Equity Shares of Rs.10/- each at an Issue price of Rs.105/- each (including a share premium of Rs.95/-per equity share) aggregating to Rs.122.22 Lakhs to be subscribed by Market Maker in this Issue.
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 21,43,200 equity Shares of Rs.10/-each at a price of Rs. 105/-per Equity Share (the “Issue Price”), including a share premium of Rs.95/-per equity share aggregating to Rs. 2250.36 Lakhs.
Non-Institutional Investors	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than Rs.2,00,000/-
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 (OCBs) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, containing, <i>inter alia</i> , the Issue Price will be determined before filing the Prospectus with RoC.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA Applicant, on the Designated Date.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs.25.00 Crore; a pension fund with minimum corpus of Rs.25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and

Terms	Description
	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.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Skyline Financial Services Private Limited.
Registrar Agreement	The agreement dated February 02, 2018, entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs.2,00,000.
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/membership/content/cat_of_mem.htm">http://www.bseindia.com/membership/content/cat_of_mem.htm</a>
Revision Form	The form used by the applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
Reservation Portion	The portion of the Issue reserved for category of eligible Applicant as provided under the SEBI (ICDR) Regulations, 2009
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
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
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Self Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and Issue services of ASBA, including blocking of bank account, a list of which is available <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>
SME Exchange	SME Platform of the BSE
SEBI (PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
Underwriters	The Lead Manager who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated April 02, 2018 entered between the Underwriter, Lead Manager and our Company.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.

Terms	Description
Working Day	Any day, other than Saturdays or Sundays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Issue Opening Date and listing of the Equity Shares on the Stock Exchanges, “Working Days” shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

### Technical and Industry Related Terms

Terms	Full Form
CSO	Central statistics Organization
IMF	International Monetary Fund
GDP	Gross Domestic Product
E-commerce/EC	Electronic Commerce
DIY	DO It Yourself
B2B	Business to Business
B2C	Business to Consumer
C2B	Consumer to Business
C2C	Consumer to Consumer
B2G	Business to Government
G2B	Government to Business
G2C	Government to Consumer
ARPU	Average Revenue per User
CAGR	Compound Annual Growth Rate
E-Tailing	Electronic Tailing
GMV	Gross Merchandise Value
DIPP	Department of Industrial policy and promotion
KYC	Know your client
PPI	Prepaid payments Instruments
UPI	Unified Payments Interface
EC2	Elastic Compute Cloud
DB	Decibel
CDN	Content Delivery Network

### Abbreviations

Abbreviation	Full Form
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering

Abbreviation	Full Form
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee State Insurance Corporation
EPFA	Employees Provident Funds and miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FIs	Financial Institutions

Abbreviation	Full Form
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992.
FTA	Foreign Trade Agreement.
FTP	Foreign Trade Policy, 2009
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / Rs./ Rupees	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
i.e	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
M. A	Master of Arts
MAPIN	Market Participants and Investors Database
MAT	Minimum Alternate Tax
M. B. A	Master of Business Administration
M. Com	Master of Commerce
MD	Managing Director
M. E	Master of Engineering
MH	Maharashtra
mm	Millimetre
Mn	Million
MoA	Memorandum of Association

Abbreviation	Full Form
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M.P.	Madhya Pradesh
MRP	Maximum Retail Price
MSMEs	Micro, Small and medium Enterprises
M. Tech	Masters of Technology
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non Resident Indians
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section



Abbreviation	Full Form
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
VAT	Value Added Tax
w.e.f.	With effect from
WTD	Whole time Director
YoY	Year over Year

The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Tax Benefits”, “Industry Overview”, “Regulations and Policies”, “Financial Information of the Company”, “Outstanding Litigation and Material Developments” and “Part B” of “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.

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

### *Certain Conventions*

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

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Salebhai Internet Limited” and “SIL”, unless the context otherwise indicates or implies, refers to Salebhai Internet Limited. In this Draft Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### *Use of Financial Data*

Unless stated otherwise, throughout this Draft Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in this Draft Prospectus is derived from our financial statements prepared and restated for the period ended January 31, 2018 and March 31, 2017, and 2016 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2009 included under Section titled “**Financial Information of the Company**” beginning on page no.165 of this Draft Prospectus. Accordingly, financial information relating to us is presented on a Standalone basis. Our fiscal year commences on April 1<sup>st</sup> of every year and ends on March 31<sup>st</sup> of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “**Risk Factors**”, “**Business Overview**”, “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” and elsewhere in this Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “**Financial Information of the Company**” beginning on page no.165 of this Draft Prospectus.

For additional definitions used in this Draft Prospectus, see the chapter titled “**Definitions and Abbreviations**” on page no.2 of this Draft Prospectus. In the section titled “**Main Provisions of Articles of Association**”, on page no.282 of this Draft Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

### ***Use of Industry & Market Data***

Unless stated otherwise, industry and market data and forecast used throughout this Draft Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in this Draft Prospectus is reliable, it has not been independently verified by us or the Lead Manager or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. 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 market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the chapter titled "***Basis for Issue Price***" on page no.02 of this Draft Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the Lead Manager, have independently verified such information.

### ***Currency of Financial Presentation and Exchange Rates***

All references to "Rupees" or "INR" or "Rs." are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled "***Industry Overview***" throughout this Draft Prospectus all figures have been expressed in thousands, Lakhs/Lacs, Million and Crores.

Any percentage amounts, as set forth in "***Risk Factors***", "***Business Overview***", "***Management Discussion and Analysis of Financial Conditions and Results of Operation***" on page nos. 19, 110 & 187 in this Draft Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

This Draft Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## FORWARD LOOKING STATEMENTS

This Draft Prospectus includes certain “forward-looking statements”. We have included statements in this Draft Prospectus which contain words or phrases such as “will”, “aim”, “is likely to 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, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. Changes in laws and regulations relating to the sectors/areas in which we operate;
2. Increased competition in sectors in which we operate;
3. Our ability to Successfully implement our growth strategy and expansion plans;
4. Our failure to keep pace with rapid changes in technology;
5. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
6. Occurrence of Environmental Problems & Uninsured Losses.
7. Our ability to meet our capital expenditure requirements;
8. Change in Consumer Demand;
9. Our ability to attract and retain directors and KMP;
10. Changes in technology;
11. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
12. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
13. Conflicts of interest with affiliated companies, the promoter group and other related parties; and
14. The performance of the financial markets in India and globally; and
15. The availability of finance on favorable terms for our business and for our customers;
16. Significant developments in India’s economic and fiscal policies;
17. Our ability to attract and retain consumers and job workers;
18. Shortage of, and price increases in, materials and skilled and unskilled employee, and inflation in key supply market;
19. Failure to comply with environmental, labour, health and safety laws and regulations may affect our business;

For further discussion of factors that could cause our actual results to differ, see the Section titled “*Risk Factors*”; chapters titled “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos.19,110 & 187 respectively of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.



*Discover the Regional*

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Neither our Company, our Directors, our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II – RISK FACTORS

### RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. In making an investment decision prospective investors must rely on their own examination of our Company and the terms of this issue including the merits and risks involved. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. 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.*

*This Draft Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in this Draft Prospectus. These risks are not the only ones that our Company faces. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.*

*To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled 'Business Overview' and 'Management's Discussion and Analysis of Financial Conditions and Results of Operations' beginning on page nos. 110 and 187 respectively, of this Draft Prospectus as well as the other financial and statistical information contained in this Draft Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the chapter titled 'Financial Statements' beginning on page no. 165 of this Draft Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP.*

#### **Materiality**

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

- 1. Some events may not be material individually but may be material when considered collectively.*
- 2. Some events may have an impact which is qualitative though not quantitative.*
- 3. Some events may not be material at present but may have a material impact in the future.*

The risk factors are as envisaged by the management along with the proposals to address the risk, if any. Wherever possible, the financial impact of the risk factors has been quantified.



## INTERNAL RISKS

### Risks relating to Our Company and Business

- 1. Since we are an online market place our services are quite largely dependent on the efficiency of our partners/vendors. We own the entire experience on our platform without owning anything.**

We bring customers an experience although we do not own the assets. As an online marketplace we combine our resources and bring you your heart's desire. Ours is an asset light business model which means we outsource certain functions and work along with various third party service providers and different partners who help us curate a complete experience that we can serve to our customers. Apart from the benefits that this business model brings, this also means we depend on the efficiency of our partners beyond our own to give our customers a pleasant experience who know and connect with "Salebhai" as a brand. As a result of the inefficiency of our partners our business could also suffer an adverse impact, in terms of loss in revenue and goodwill.

- 2. Our failure to maintain confidentiality, integrity, and availability of our customer data, ecommerce system and software could seriously damage our reputation and affect our ability to retain customers and attract new business.**

Maintaining the confidentiality, integrity, and availability of our customer data, systems, software and solutions is an issue of critical importance for us and for our users. Our users rely on our systems to place order along with storing their personal details that includes their address, mobile number much of which are proprietary, confidential and may constitute material non-public information for our clients.

Inadvertent disclosure of the information maintained on our systems due to human error, breach of our systems through hacking or cybercrime or a leak of confidential information due to employee misconduct could seriously damage our reputation and could cause significant reputational harm for our users.

- 3. An Inability to evolve the IT systems according to the global technological evolution or adapt to technological developments or e-commerce trends could affect the performance and features of the services we provide thereby adversely affecting our business operations.**

We continuously are growing our business operations by targeting customers in India as well as overseas & have significantly grown our logistics and fulfilled integrations with a number of partners. As our operations grow in scale and complexity, whether through offering of new services or expansion into new markets in India and internationally, we must continuously improve, upgrade, adapt and expand our technology systems and infrastructure to offer our customers enhanced services, features and functionality ahead of rapidly evolving consumer demands, while maintaining the reliability and integrity of our systems and infrastructure in a cost-efficient and competitive manner.

- 4. Online transactions possess certain risks including payment risk such as breach of our security systems or customer information by third parties on whom we rely upon for payment gateway services or by our employees. This could result in a material adverse effect on our reputation, business, prospects, financial condition and results of operations.**

Secure transmission of confidential information, such as details of customers' credit card, net banking passwords etc. over public networks is one of the significant barriers to online commerce and communication. We rely on encryption and authentication technology licensed from third parties to provide security and authentication which is necessary to effect secure transmission of confidential information. We accept payments using a variety of methods, including credit card, debit card and net-banking although we do not store any of this information on our servers. As we continue to offer newer payment options to users and customers, we may be subject to additional regulations, compliance requirements and fraud.

**5. Some of our services have only recently been introduced and, as a result, it may be difficult to evaluate their performance and prospects due to lack of data.**

Some of the services offered by us were introduced very recently such as SaleBhai Auction & SaleBhai OneUp for further strengthening our product offerings. As a result, these products and services have a limited operating history and it may be difficult to evaluate their performance and prospects. We have invested time and other resources and incurred expenses towards the introduction of these new services. In the event that these new services do not perform well, we may lose our entire investment in these services including for research and development of these services, which may result in a material adverse effect on our results of operations and financial condition.

**6. Our dependence on several third party service providers for logistics services and payment gateways and an inability to ensure availability of such services at competitive cost may have an adverse effect on our business.**

We rely on various third party service providers such as FedEx, Blue Dart, Aramex, Xpree Bee, Vamaship & UPS in our business operations for logistics services. Similarly we use payment gateways such as Billdesk, Paytm, Freecharge, Mobikwik, PayPal etc for payment gateways. Third parties fulfill an increasing portion of customers' orders, and we are increasingly reliant on the reliability, quality and future procurement of their services. We are also susceptible to various risks including strikes, delays, pilferage, damage to goods in transit, goods lost in transit, poor packaging, bad handling of goods, etc. as we deal with third party service providers.

**7. Our business and operations have experienced rapid growth in recent periods, and if we are unable to improve our IT systems and infrastructure, integrate new systems or train new employees, our operating results may be adversely affected.**

We have experienced rapid growth and increased demand for our ecommerce portal over the last few years. The number of active customer base has increased multiple folds in last 2 years. Our rapid growth has placed significant demands on our IT infrastructure and Software Development count, and our growth will continue to place significant demands on these resources. Further, in order to manage our current and future growth effectively, we must continue to improve and expand our infrastructure, operating and administrative systems and controls, invest in brand building and efficiently manage headcount, capital and processes. We may not be able to successfully manage these resources in a timely or efficient manner, and our failure to do so may materially impact our projected growth rate and future results.

**8. We may outsource certain IT functions such as Search Engine Optimization, Data Analytics, Mobile App development, Social Media Marketing, Digital Marketing from time to time and any delay and/or failure in the performance of these services may adversely affect our business, results of operations and cash flows.**

We have a large IT team in-house that works on developing new solutions and enhancing existing solutions for our Ecommerce Portal. In addition, we often outsource some parts of our IT activities to third party vendors. We seek to work closely and supervise the activities of our vendors but remain dependent on these vendors for the timely execution of these software development or IT activities and, more importantly, the quality and efficacy of these activities. Further, arrangements with such vendors are typically not exclusive arrangements and they may work for other IT companies, including our competitors. The vendors may thus prioritize the work of other competitors and focus more on the quality and delivery of services to them to our disadvantage.

**9. Any inability to license or incorporate software, infrastructure and technology developed by third parties in our solutions may adversely impact our business, financial position, results of operations and cash flows.**

Our success depends to a great extent on our proprietary software developed for our ecommerce portal. We primarily develop our technology in-house and also incorporate software and technology developed by third parties in our solutions. These 3rd party systems form a core part our ecommerce portal and any adverse impact on it due to licensing or government regulations may severely affect our business & user personalisation resulting into loss in operations and cash flows.

**10. Poor packaging or bad handling of packaging by our service providers or problems in/while shipment may lead to product quality deterioration, product damage, spillage, leakage and may have an adverse effect on our reputation and business.**

In order for our business to run smoothly, we take the help of logistic service providers who help us dovetail our operations. But if any sort of laxity occurs from their side while shipping the product like not following the packaging instructions, it may also have an adverse effect on our business. This may lead to loss in terms of goodwill sometimes in spite of us taking necessary actions in such cases to make amends like replacing the product or passing refund to our customers.

**11. Our business may be materially and adversely affected by our reliance on merchants who fail to grow at a certain pace and on our ability to attract merchants and customers.**

We depend on our partners for the supply of products and fulfillment of orders made on our site. Sometimes it may happen like in peak seasons that our merchants are in a position to only fulfill partial order or may even be out of stock for the said product. The non-availability of such products in such times could mean loss of business for us. Hence it is necessary for us that our merchants too grow at a certain pace with us to support our operations.

As the e-commerce market becomes increasingly competitive, maintaining and enhancing it will become critical to ensure that our salebhai.com e-retail brand, continues to maintain its distinctive reputation and merchant and customer following. In addition, any negative publicity about us or our products, especially when we face intense and increasing competition, may adversely affect our brand reputation and consequently our business operations and future financial performance.

**12. If our merchants do not meet the needs and expectations of our customers, our business could suffer.**

In order to mitigate this, we work with the top three sellers of a particular city catering that particular segment or product and tie up with renowned brands and names. Unlike other platforms, our sellers are not just sellers or re-sellers but also the owners of the brand and hence all the more invested in the customer experience with the products. This promotes our sellers to cater the customers well as this has direct impact on their brand and reputation.

**13. Our business relies on email and digital marketing, and a decrease in subscriber willingness to receive such emails or respond to our digital marketing initiatives could adversely affect our revenue and business.**

As many businesses have taken to email and digital marketing to attract and maintain consumers, so have we. Customer's response to our mailers and our digital marketing initiatives are vital as we need such response to get new customers as well as generate an ongoing interest among existing customers about our services and products. Our revenue depends on the response we get from our clients on these platforms. In this day and age when emails flood everybody's inbox, it is difficult to catch the attention of a customer and this may adversely affect our revenue and business.

**14. Some of our Group Companies have incurred losses during the last three fiscal years.**

As set forth below, some of our Group Companies have incurred losses during last three fiscal years (as per their respective audited standalone financial statements):

(Amount in Rs.)

Unlisted Companies	2016 – 17	2015 – 16	2014 - 15
Stud Farm Infrastructure Private Limited	(1,23,218)	(1,23,141)	(91,86,631)

**15. We do not own certain premises used by us. Our registered office, situated at Ahmedabad, has been obtained on rent by us.**

Our registered office situated at 307-A,C/o Safal Pegashis, Opp. Kiran Motors,100ft Road, Opp: Rivera Bungalows, Prahalad Nagar, Vejalpur Ahmedabad Gujarat – 380015 is taken on leave and license basis from Maharajkumar Bhagirath Singhji HUF. Further, our IT system is situated at 10, Pratham Enclave, Sun Pharma Road, Atladara, Vadodara – 390012, Gujarat which is taken on Leave and License Basis from Mr. Pramod Rao, who is one of the Independent Director of our Company. If the owners of such leased or rented premises do not renew the agreements under which we occupy or use the premises on terms and conditions acceptable to us, or at all, we may suffer a disruption in our operations. Whilst we maintain a reasonable level of diligence while finalising premises, any adverse impact on the title, ownership rights, development rights of our lessor or licensor from whose premises we operate or any dispute with the lessor, may impede our business operations. Our ability to renew existing agreements in respect of our leased premises, upon their expiry is crucial to our operations and profitability. If we fail to renew arrangements on terms commercially acceptable to us, we may have to incur additional costs in relocating our offices and or move to less desirable locations.

**16. In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company**

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects. For further information, see the chapter titled “Our Management” and “Our Promoters and Promoter Group” on page nos. 139 and 153 respectively of this Draft Prospectus and the section titled “Financial Statements” beginning on page no. 165 of this Draft Prospectus.

**17. We have issued Equity Shares at a price below the proposed issue price during the past one year prior to the date of filing this Draft Prospectus and the average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price.**

Our Company has issued and allotted Equity Shares at a price which is below the issue price in the past unique year prior to the date of filing of this Draft Prospects. The details of allotment are as follows:

Date of allotment	No. Of shares Allotted	Face value (Rs.)	Issue price (Rs.)	Consideration	Nature of Allotment
March 30, 2018	56,17,359	10	Nil	N.A.	Bonus Allotment

The price at which Equity Shares have been issued in the past one year is not indicative of the price at which Equity Shares may be offered in the Issue or at the price at which they will trade upon listing. For further details, please refer to chapter titled “*Capital Structure*” on page no. 65 of this Draft Prospectus.

Further, our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue 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 the section titled “*Risk Factors - Prominent Notes*” and chapter titled “*Capital Structure*” beginning on page nos. 19 and 54 respectively of this Draft Prospectus.

**18. We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favourable terms may have an adverse effect on our operations, profitability and growth prospects.**

Our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects.

**19. We are dependent on our Individual Promoters, Mr. Vishwavijay Singh, Mr. Anand Varani and Mrs. Purba Kalita for their expertise and market goodwill. Our separation, if any, from our Promoters may adversely affect our business.**

Our promoters have a vast experience. We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day to day operations and management since the incorporation of the Company. Accordingly, our Group performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in their present position i.e. if any of our promoters decide to join any corporation in managerial capacity or otherwise, we may not be able to replace them easily or at all. The loss of promoter’s services could impair our ability to implement our strategy, and our business, results of operations and prospects may be materially and adversely affected.

**20. There is no monitoring agency appointed by Our Company and deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.**

As per SEBI (ICDR) Regulations, 2009 appointment of monitoring agency is required only for Issue size above Rs. 100 Crores. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds.

Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the BSE Limited and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

Further, we propose to utilize the Net Proceeds for purposes identified in the chapter titled “*Objects of the Issue*” and we propose to utilize the Rs. 509.60 Lakhs of the Net Proceeds towards general corporate purposes, namely, brand building exercises, strengthening of our marketing capabilities and Research and Development expense. The manner of deployment and allocation of such funds is entirely at the discretion of our management and our Board, subject to compliance with the necessary provisions of the Companies Act.

- 21. Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations. Further, we have incurred losses in the previous Financial Years and may continue to incur losses for upcoming financial years.**

Huge promotional and employee expenses are required in our business and in return we may continue to suffer losses in the upcoming years. Also, we expend a significant amount of resources on promoting, establishing and maintaining our brands. However, there can be no assurance that our brands will continue to be effective in attracting and growing our merchant and customer bases or that such effort will be cost effective, which may adversely affect our results of operations.

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

Particulars	As on 31 <sup>st</sup> Jan. 2018	As on 31 <sup>st</sup> March	
		2017	2016
Net cash from (used in) Operating activities	(945.85)	(219.40)	8.39
Net cash from (used in) Investing activities	(1.03)	(2.96)	(4.44)
Net cash from (used in) Financing activities	946.27	230.67	0.97
<b>Net Cash Flow</b>	(0.62)	8.31	4.92

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its 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 flow, it may adversely affect our business and financial operations. For further details please refer to the section titled “Financial Statements” and chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page nos. 165 and 187 respectively, of this Draft Prospectus.

- 22. We have entered into certain related party transactions and may continue to do so.**

We have entered into related party transactions with our Promoters, its group members/ entities, Directors and other associates. While we believe that all such transactions have been conducted on arm length basis, however it is difficult to ascertain whether more favourable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we will continue to enter into related party transactions in the near 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 further details regarding the related party transactions, see the disclosure on related party transactions contained in the financial statements included in this Draft Prospectus and, also see the section “Related Party Transactions” on page no. 182.

- 23. Our success depends on our ability to retain and attract Key Managerial Personnel and, if we are not able to retain them or recruit additional qualified personnel, we may be unable to successfully develop and grow our business.**

Our Company is depending significantly on the expertise, experience and continued efforts of our key managerial personnel. If one or more members of our key managerial personnel are unable or unwilling to continue in his/her present position, it may be difficult to find a replacement, and business might thereby be adversely affected. Our industry requires personnel with specific technical knowledge and experience for our business.



Competition for key managerial personnel in our industry is intense and it is possible that our Company may not be able to retain existing key managerial personnel or may fail to attract/ retain new employees at equivalent positions in the future. As such, loss of key managerial personnel could adversely affect our business, results of operations and financial condition. For further details on the key managerial personnel of our Company, please refer to the chapter titled “*Our Management*” beginning on page no. 139 of this Draft Prospectus.

**24. Our Directors and Promoters are not involved but may in the future, be involved in certain legal proceedings, which, if determined adversely, may adversely affect our business and financial condition.**

Our Company may in the future be, implicated in lawsuits in the ordinary course of our business, including lawsuits and arbitrations involving compensation for loss due to various reasons including tax matters, civil disputes, labour and service matters, statutory notices, regulatory petitions, consumer cases and other matters. Any Litigation or arbitration could result in substantial costs and a diversion of effort by us and/or subject us to significant liabilities to third parties. In addition, our Company is subject to risks of litigation including public interest litigation, contract, employment related, personal injury and property damage. Our Company cannot provide any assurance that these legal proceedings will be decided in our favour. Any adverse decision may have a significant effect on our business including the financial condition of our Company, delay in implementation of our current or future project and results of operations. There can be no assurance that the results of such legal proceedings will not materially harm our business, reputation or standing in the marketplace or that our Company will be able to recover any losses incurred from third parties, regardless of whether our Company is at fault or not. There can be no assurance that losses relating to litigation or arbitration will be covered by insurance, that any such losses would not have a material adverse effect on the results of our operations or financial condition, or that provisions made for litigation and arbitration related losses would be sufficient to cover our ultimate loss or expenditure. Details of outstanding proceedings that have been initiated against our Company, our Promoters, our Group Companies and our Directors are set forth in the chapter titled “*Outstanding Litigation and Material Developments*” starting from page no. 194 of this Draft Prospectus.

**25. Delay in raising funds from the IPO could adversely impact the implementation schedule.**

The proposed expansion, as detailed in the chapter titled “*Objects of the Issue*” is to be largely funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given timeframe, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

**26. Changes in technology may impact our business by making our products or services less competitive or obsolete or require us to incur additional capital expenditures.**

Our future success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Changes in technology may make newer products and services more competitive than ours or may require us to incur additional capital expenditures to upgrade our technology, innovations, research and development facilities in order to provide newer products or services. If we are unable to adapt our technology in a timely manner to changing market conditions, client requirements or technological changes, our business, financial performance and the results of operations could be affected.

**27. Our actual results could differ from the estimates and projections used to prepare our financial statements.**

The estimates and projections are based on and reflect our current expectations, assumptions and/ or projections as well as our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. There can be no assurance that our expectations, estimates,

assumptions and/or projections, including with respect to the future earnings and performance will prove to be correct or that any of our expectations, estimates or projections will be achieved.

**28. 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 the chapter titled “*Dividend Policy*” beginning on page no. 164 of this Draft Prospectus.

**29. Any future issuance of Equity Shares may dilute your shareholdings, and sales of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.**

Any future equity issuances by our Company may lead to the dilution of investors’ shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

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

The Issue price is based on numerous factors. For further information, see the chapter titled “*Basis for Issue Price*” beginning on page no. 93 of this Draft Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- Quarterly 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;
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**31. Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt our business and harm our financial condition and operating results.**

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through wholly owned subsidiaries, or through tie-ups, acquisitions, strategic alliances, partnerships or joint ventures across countries and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. While we are

currently evaluating opportunities and speaking to several potential partners, we have not entered into any definitive agreements in relation to this. Further, the identification of suitable acquisition candidates can be difficult, time-consuming and costly, and we may not be able to successfully complete acquisitions that we target in the future. The risks we face in connection with acquisitions may include integration of product and service offerings, co-ordination of R&D and sales and marketing functions and the diversion of management time and focus from operating our business to addressing acquisition integration challenges. Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could cause us to fail to realise the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

**32. The proper functioning of our websites is essential to our business and any failure to maintain the satisfactory performance, security and integrity of our websites will materially and adversely affect our business, reputation, financial condition and results of operations.**

The satisfactory performance, reliability and availability of our websites, our transaction -processing systems and our network infrastructure are critical to our success and our ability to attract and retain customers and maintain adequate customer service levels. Our net revenues depend on the number of visitors who shop on our e -retail website and the volume of orders we fulfil as well as the number of stores on our B2B marketplace. Any system interruptions caused by computer viruses, hacking or other attempts to harm our systems that result in the unavailability or slowdown of our website or reduced order fulfilment performance would reduce the volume of products sold and the attractiveness of product offerings at our website. Our servers may also be vulnerable to computer viruses, physical or electronic break-ins and similar disruptions, which could lead to interruptions, delays, loss of data or the inability to accept and fulfil customer orders. We may also experience interruptions caused by reasons beyond our control. There can be no assurance that such unexpected interruptions will not happen, and any such future occurrences could damage our reputation and result in a material decrease in our revenues. We periodically upgrade and expand our systems, and in the future, we will continue to further upgrade and expand our systems and to integrate newly developed or purchased software with our existing systems to support increased transaction volume. Any inability to add additional software and hardware or to develop and upgrade our existing technology, transaction-processing systems or network infrastructure to accommodate increased traffic on our website or increased sales volume through our transaction-processing systems may cause unanticipated system disruptions, slower response time, degradation in levels of customer service and impaired quality and speed of order fulfilment, which would have a material adverse effect on our business, reputation, financial condition and results of operations.

**33. Managing employee benefit pressures in India may prevent us from sustaining our competitive advantage which could adversely affect our business prospects and future financial performance.**

Employee benefits represent a major expense for us and our ability to maintain or reduce such costs is critical for our business operations. We may be required to increase employee compensation levels to remain competitive and manage attrition, and consequently we may need to increase the prices of our products and services. An increase in wages/ salaries paid to our employees may result in a material adverse effect on our profits in the event that we are unable to pass on such increased expenditure to our users or customers without losing their business to our competitors. Likewise, if we are unable to sustain or increase the number of employees as necessary to meet growing demand, our business, financial condition and results of operations could be adversely affected.

**34. There are no standard valuation methodologies or generally accepted accounting practices or standard of measure of the information technology and related industries.**

We are a digital commerce company which offers solutions in both B2C and B2B e-commerce business. However, there are currently no standard valuation methodologies or generally accepted accounting practices or standard of measure for companies in the internet based business models. Consequently, any comparison of our

Company with other companies engaged in similar businesses may not provide investors with any meaningful information, comparisons or analysis. In addition, many of these companies follow different accounting practices and prepare their financials in accordance with GAAP that is significantly different from Indian GAAP in accordance with which we prepare our financial statements. Our investors may, therefore, not be able to accurately assess and measure the value of our business by comparing our price/ earnings (P/E), and the price/ book value per share multiples with that of global and local internet based companies. Our investors may therefore not be able to accurately assess and measure the value of our business factoring in the effectiveness of our products and services, and our future growth potential.

**35. An inability to respond to constantly changing customer preferences or successfully adopt new technologies or adapt our website and systems to customer requirements or evolving industry standards, our business prospects and future financial performance may be adversely affected.**

The e-retail and e-commerce industries are subject to fast evolving consumer preferences. Consequently, we are required to stay abreast with emerging lifestyle and consumer trends and anticipate trends that will appeal to existing and potential customers including value added services which are offered by us. If we do not anticipate, identify and respond effectively to consumer and user preferences or changes in consumer and user trends at an early stage, we may not be able to generate the desired level of sales or revenues from services. To remain competitive, we must continue to enhance and improve the responsiveness, functionality and features of our Salebhai.com e -retail and B2B Marketplace websites. The internet and the online retail industry are characterized by rapid technological evolution, changes in user requirements and preferences, frequent introductions of new products and services embodying new technologies and the emergence of new industry standards and practices that could render our existing proprietary technologies and systems obsolete. Our success will depend, partly, on our ability to identify, develop, acquire or license technologies useful in our business, enhance our existing services, develop new services and technologies that address the increasingly sophisticated and varied needs of our existing and prospective customers, and respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. There can be no assurance that we will be able to use new technologies effectively or adapt our website, proprietary technologies and transaction-processing systems to customer requirements or emerging industry standards. If we are unable to adapt to changing market conditions or customer requirements in a cost-effective and timely manner, whether for technical, legal, financial or other reasons, our business, prospects, financial condition and results of operations would be adversely affected.

**36. Change in Consumer behavior or purchase pattern may affect our Business and result of operations.**

Customer's Behavior is highly volatile and there is no certainty that the same customers would buy the product from our platform. Further the purchase pattern of our customer is subject to seasonability of products or taste or preference which may cause to decrease our online sales for the company. Accordingly, it is difficult to predict the customer's behavior which results in wrong prediction of the future sales of the company which may adversely affect our business.

**37. Government regulation of the internet and e-commerce is evolving, and unfavourable changes or failure by us to comply with these regulations could substantially harm our business and results of operations.**

We are governed by general business laws as well as regulations specifically governing the internet and e - commerce. Existing and future laws and regulations could impede the growth of the internet or other online services including products and services offered through the Salebhai.com e -retail site. These laws and regulations may stipulate stringent taxation, tariffs, privacy of customers and users, data protection, content, copyrights, distribution, electronic contracts and other communications, consumer protection, and the characteristics and quality of services. Our future product and service offerings may subject us to additional rules and regulations, the ambit of which is not presently clear. For further information, see "Regulations and Policies". The application and implementation of the existing laws governing issues such as property ownership,

sales and other taxes, libel and personal privacy in relation to the internet are not free from doubt as the vast majority of these laws were enacted prior to the advent of the internet and do not contemplate or address the unique issues raised by the internet or e-commerce. In addition, it is possible that governments of one or more countries may seek to censor content available on our websites and applications or may even attempt to completely block access to our websites especially in jurisdictions in which we operate. Adverse legal or regulatory developments could substantially harm our business. In particular, in the event that we are restricted, in whole or in part, from operating in one or more countries, our ability to retain or increase our subscriber base may be adversely affected and we may not be able to maintain or grow our revenue as anticipated.

**38. We may become a target for public scrutiny, including complaints to regulatory agencies, negative media coverage, including social media and malicious reports, all of which could severely damage our reputation and materially and adversely affect our business and prospects.**

We process numerous transactions on a daily basis on our Salebhai.com e-retail site as well as the Salebhai.com ecommerce marketplace, and the high volume of transactions taking place on our marketplaces creates the possibility of heightened attention from the public, the media and our participants. In addition, changes in our services or policies have resulted and could result in objections by members of the public, the media, including social media, participants in our ecosystem or others. From time to time, these objections or allegations, regardless of their veracity, may result in negative publicity, which could result in government inquiry or harm our reputation. Corporate transactions which we or related parties undertake may also subject us to increased media exposure and public scrutiny. There is no assurance that we would not become a target for public scrutiny in the future or such scrutiny and public exposure would not severely damage our reputation as well as our business and prospects. In addition, our directors and management have been, and continue to be, subject to scrutiny by the media and the public regarding their activities at and outside our Company, which may result in unverified, inaccurate or misleading information about them being reported by the press. Negative publicity about our founders, directors or management, even if untrue or inaccurate, may harm our reputation.

**39. We may not be able to secure sufficient financing on favourable terms, or at all, to meet our future capital needs.**

In the future, we may require additional capital to pursue business opportunities or acquisitions or respond to challenges, competition and unforeseen circumstances. We may also decide to engage in equity or debt financings or enter into credit facilities for other reasons. We may not be able to secure debt or equity financing in a timely manner, on favourable terms, or at all. Any debt financing obtained by us in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions.

**40. We and our Group Companies have made delay in relation to regulatory filings to be made with the ROC.**

Our company has made delay and irregularity in filing of Forms with Registrar of Companies, Ahmedabad w.r.t various allotments made and filing of Annual Return and Financial Statements in the preceding years. Further, our group companies have made delay in filing Annual Return and Financial Statements for the preceding Financial Years. Our Board of directors and management continuously endeavour to maintain good corporate governance standards & principles.

We cannot predict the effect of such late filings made by our Company and this may lead to certain difficulties and/or contingences however the same shall not have any major adverse impact on the business and growth of our Company.

## EXTERNAL RISK FACTORS

### 41. Our business is dependent on economic growth in India.

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements primarily resulting from export demand and movements in key imports, such as oil and oil products, and annual rainfall, which affect agricultural production. For example, in the monsoon of 2009 several parts of the country experienced below average rainfall, leading to reduced farm output which impaired economic growth. In the past, economic slowdowns have harmed industries and industrial development in the country. Any future slowdown in the Indian economy could harm our business, financial condition and results of operations.

### 42. Financial Instability and disruptions in Indian financial markets could materially and adversely affect our results of operations and financial condition.

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

### 43. Any changes in the regulatory framework could adversely affect our operations and growth prospects.

The company is subject to various regulations and policies. For details see chapter titled "Key Industry Regulations" beginning on page no. 129 of this Draft Prospectus. The company's current businesses and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that it will succeed in obtaining all requisite regulatory approvals in the future for its operations or that compliance issues will not be raised in respect of its operations, either of which could have a material adverse affect on the business, financial condition and results of operations.

### 44. Our business is subject to a significant number of tax regimes and changes in legislation governing the rules implementing them or the regulator enforcing them in any one of those jurisdictions could negatively and adversely affect our results of operations.

The revenues recorded and income earned is taxed on differing bases, including net income actually earned, net income deemed earned and revenue-based tax withholding. The final determination of the tax liabilities involves the interpretation of local tax laws as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Changes in the operating environment, including changes in tax laws, could impact the determination of the tax liabilities of our Company for any year.



**45. Natural calamities and force majeure events may have a negative impact on the Indian economy and cause our business to suffer.**

India has experienced natural calamities such as earthquakes, tsunamis, floods and drought in the past few years. These natural disasters may cause significant interruption to our operations, and damage to the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Further prolonged spells of deficient or abnormal rainfall or other natural calamities in the future could have a negative impact on the Indian economy, adversely affecting our business and the price of the Equity Shares.

**46. Terrorist attacks, civil unrests and other acts of violence in India and around the region could adversely affect the markets, resulting in loss of consumer confidence and adversely affect the business, results of operations, financial condition and cash flows.**

Terrorist attacks, civil unrests and other acts of violence or war in India and around the region may adversely affect worldwide financial markets and result in a loss of consumer confidence and ultimately adversely affect the business, results of operations, financial condition and cash flows. Political tensions could create a perception that an investment in Indian companies involves higher degrees of risk and on the business and price of the Equity Shares.

**47. In future the company may depend on banks and financial institutions and other sources for meeting its short and medium term financial requirements.**

Any delay in the disbursal of funds from these bodies can act as a bottleneck to the project execution capabilities and thereby its results of operations. The company cannot assure that it will be able to do so on commercially reasonable terms. Any increase in interest expense may have a material adverse effect on its business prospects, financial condition and results of operations.

**48. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the Industry contained in the Draft Prospectus.**

While facts and other statistics in the Draft Prospectus relating to India, the Indian economy and the 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 "Industry Overview" beginning on page no. 98 of this Draft 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.

**49. Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.**

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading and

limited price movements. A closure of, or trading stoppage on the SME Platform of BSE could adversely affect the trading price of the Equity Shares.

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

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

**51. Last but not the least, Equity Investment per-se is itself a Risk Investment.**

The Stock Market is affected by numerous factors both controllable and non-controllable affected by any market either domestic or international. For instance, the recent financial crisis developed in Greek and the collapse of the Chinese Stock Market affected adversely to the Indian Stock Market as well as all other Stock Markets Internationally. The said developments also affected currency markets all over the world. The commodity market was also not spared from such developments. Hence investors are advised to make their own judgement depending upon their risk appetite and invest wisely in stock market.

**Prominent Notes:**

1. Public Issue Of 22,59,600 Equity Shares of Face Value of Rs.10/- each of Salebhai Internet Limited (“SIL” or “Our Company” or “The Issuer”) for Cash at a Price of Rs. 105/- Per Equity Share (“Issue Price”) aggregating to Rs.2372.58 Lakhs, of which 1,16,400 Equity Shares of Face Value of Rs. 10/- each at a price of Rs. 105/- aggregating to Rs. 122.22 Lakhs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and Net Issue to Public of 21,43,200 Equity Shares of Face Value of Rs. 10/-each at a price of Rs. 105/- aggregating to Rs. 2250.36 Lakhs (hereinafter referred to as the “Net Issue”) The Issue and the Net Issue will constitute 26.58 % and 25.21 % respectively of the Post Issue paid up Equity Share Capital of Our Company.
2. This Issue is being made for at least 25 % of the post-issue paid-up Equity Share capital of our Company, pursuant to Rule 19(2) (b) (i) of the Securities Contracts (Regulation) Rules, 1957 as amended. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a fixed price issue ‘the allocation’ is the net issue to the public category shall be made as follows:
  - a) Minimum fifty percent to retail individual investors; and
  - b) Remaining to:
    - (i) Individual applicants other than retail individual investors; and
    - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
  - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

3. The Net worth of our Company as on 31st March, 2017 and 31st March, 2016, was Rs. (167.50) Lakhs and Rs. (110.19) Lakhs respectively and Rs. 610.35 lakhs for the ten months period ended on January 31, 2018. For more information, see the section titled “Financial Information of the Company” beginning on page no.165 of this Draft Prospectus.
4. The NAV per Equity Share, based on Standalone Restated Financials of our Company as March 31, 2017 was Rs. (31.93) per equity share, March 31, 2016 was Rs. (1,101.92) per equity share and for the ten months period ended on January 31, 2018 was Rs. 97.93 per equity share. For more information, see the section titled “Financial Information of the Company” beginning on page no.165 of this Draft Prospectus.
5. The average cost of acquisition of Equity Shares by our Promoters is set out below:

Name of our promoter	Number of equity shares held	Average cost of acquisitions
Mr. Vishwavijay M. Singh	24,92,220	Rs. 4.48/-
Mr. Anandprakash Varani	6,47,930	Rs. 3.62/-
Ms. Purba Kalita	2,00,000	Rs. 1.00/-

As certified by our Statutory Auditor vide their certificate dated May 11, 2018. For Further details, please refer to chapter titled “Capital Structure” beginning on page no.54 of this Draft Prospectus.

6. We have entered into various related party transactions with related parties including various Promoter group entity for the period ended 31st March, 2017 and 31st March 2016 and for the ten months period ended on January 31, 2018. For nature of transactions and other details as regard to related party transactions section titled “Financial Information of the Company” –Annexure XX -Statement of Related Parties Transactions, as Restated” on page no.182 of this Draft Prospectus.
7. No Group companies have any business or other interest in our Company, except as stated in section titled “Financial Information of the Company - Annexure XX- Statement of Related Parties Transactions, as Restated” on page no. 182 and Chapter titled “Our Promoters and Group Companies” beginning on page no. 153 and to the extent of any Equity Shares held by them and to the extent of the benefits arising out of such shareholding.
8. Our Company was originally incorporated in Ahmedabad as “Salebhai Internet Private Limited” on April 06, 2015 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. A fresh certificate of incorporation consequent upon conversion of Company to “Salebhai Internet Limited” was issued on February 12, 2018 by the Registrar of Companies, Ahmedabad, Gujarat. The Company’s Corporate Identity Number is U51101GJ2015PLC082801. For details of the changes in our name and registered office, please refer to the chapter titled “History and Corporate Structure” beginning on page no. 135 of this Draft Prospectus.
9. Our Company, Promoters, Directors, Promoter Group have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI nor they have been declared as willful defaulters by RBI / Government authorities. Further, no violations of securities laws have been committed by them in the past or pending against them.
10. Investors are advised to see the paragraph titled “Basis for Issue Price” beginning on page no.93 of this Draft Prospectus.
11. The Lead Manager and our Company shall update this Draft Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Draft Prospectus and commencement of trading.

- 12.** Investors are free to contact the Lead Manager i.e. Monarch Network Capital Limited for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
- 13.** In the event of over-subscription, allotment shall be made as set out in paragraph titled “Basis of Allotment” beginning on page no. 239 of this Draft Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. BSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
- 14.** None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of this Draft Prospectus.
- 15.** The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares of our Company held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapter titled “Our Management” beginning on page no. 139, chapter titled “Our Promoter Group & Promoter Group Companies” beginning on page no.157 and chapter titled “Financial Information of the Company” beginning on page no. 165 of this Draft Prospectus.
- 16.** No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details, please see the section titled “Financial Information of the Company” beginning on page no.165 of this Draft Prospectus.
- 17.** Trading in Equity shares of our Company for all the investors shall be in dematerialised form only.

## SECTION III – INTRODUCTION

### SUMMARY OF INDUSTRY

After exceeding expectations in 2017, the global economy is projected to carry forward its current momentum to generate a 3 percent growth rate in 2018. While the growth path of mature markets will remain solid in the short term, potential for much faster growth is limited, and a growth slowdown is likely to set in later in the decade. As some major emerging markets are maturing themselves, especially China, they are unlikely to return to growth trends of the past. The good news is that a larger role for qualitative growth factors an improvement in labour force skills, digitization, and especially stronger productivity growth may help sustain growth and provide better conditions for businesses to thrive over the next decade.

In 2018, the economies of emerging Asia are expected to grow at 4.9 percent -- a slight improvement over 2017. While the region's growth rate is likely to slow in the medium term, it will still perform better than the global emerging market average. Deceleration in China's economic growth, Southeast Asia's exposure to rising ant globalization sentiment in the West, and challenges fully translating a demographic dividend in India into productive human capital are significant impediments to the region's growth potential.

*(Source: [www.conference-board.org/economic-outlook-2018](http://www.conference-board.org/economic-outlook-2018))*

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP increased 7.1 per cent in 2016-17 and is expected to reach a growth rate of 7 per cent by September 2018. India's gross domestic product (GDP) grew by 6.3 per cent in July-September 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by over 20 per cent in FY 2017-18 supported by normalisation of profits, especially in sectors like automobiles and banks, according to Bloomberg consensus. India has retained its position as the third largest start-up base in the world with over 4,750 technology start-ups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM. India's foreign exchange reserves were US\$ 404.92 billion in the week up to December 22, 2017, according to data from the RBI.

With the improvement in the economic scenario, there have been various investments in various sectors of the economy. The M&A activity in India increased 53.3 per cent to US\$ 77.6 billion in 2017 while private equity (PE) deals reached US\$ 24.4 billion. India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms. India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

*(Source: [www.ibef.org/economy/indian-economy-overview](http://www.ibef.org/economy/indian-economy-overview))*

Retail ecommerce sales worldwide will continue to post solid gains in 2017, rising 23.2% to \$2.290 trillion. This year, for the first time, ecommerce sales will account for one-tenth of total retail sales worldwide.

Global retail e-commerce market is expected to witness a high growth on account of favourable attitude towards new shopping channels. The overall market is projected to grow at an approximate CAGR of 10% from 2016 to 2024. Retail e-commerce allows consumers to buy goods from the seller over the internet. Customers can find their interested products by visiting the website. Most online retailers use shopping cart software. Payment and delivery information are collected using a check out process. Convenience is the major factor driving the overall online shopping market growth. It is easier to navigate through various product categories with the help of search system.

The e-commerce has transformed the way business is done in India. The Indian e-commerce market is expected to grow to US\$ 200 billion by 2026 from US\$ 38.5 billion as of 2017. The value of e-commerce market is expected to cross US\$ 50 billion by 2018. Much growth of the industry has been triggered by increasing internet and Smartphone penetration. The ongoing digital transformation in the country is expected to increase India's total internet user base to 829 million by 2021 (59 per cent of total population), from 373 million (28 per cent of population) in 2016, while total number of networked devices in the country are expected to grow to two billion by 2021, from 1.4 billion in 2016.

Total online spending, inclusive of domestic and cross border shopping, is expected to increase by 31 per cent year-on-year to Rs 8.76 trillion (US\$ 135.8 billion) by 2018. Cross border shopping by Indians touched Rs 58,370 crore (US\$ 9.1 billion) in 2016, and is expected to by 85 per cent year-on-year in 2017. The top 3 countries preferred by Indians for cross-border shopping in 2016 were USA (14%), UK (6%) and China (5%).

The internet industry in India is likely to double to reach US\$ 250 billion by 2020, growing to 7.5 per cent of Gross Domestic Product (GDP), with the number of mobile internet users growing to about 650 million and that of high-speed internet users reaching 550 million.<sup>5</sup> About 70 per cent of the total automobile sales in India, worth US\$ 40 billion, are expected to be digitally influenced by 2020 as against US\$ 18 billion in 2016.

## SUMMARY OF BUSINESS

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in the section titled “Risk Factors”, beginning on page no.19 of this Draft Prospectus.*

*This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled 'Risk Factors' and the chapters titled “Restated Financial Statement” and “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page nos.19,165 and 187 respectively, of this Draft Prospectus.*

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

### OVERVIEW

Our Company was originally incorporated in Ahmedabad as “Salebhai Internet Private Limited” on April 06, 2015 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. A fresh certificate of incorporation consequent upon conversion of Company to “Salebhai Internet Limited” was issued on February 12, 2018 by the Registrar of Companies, Ahmedabad, Gujarat. The Company’s Corporate Identity Number is U51101GJ2015PLC082801.

Salebhai.com is an Indian e-commerce portal that enables people living away from home order a range of specialties directly from their hometowns. It is also a one-stop solution for those who want to discover regional products from across India. People can pick from a wide variety of delicious consumable items like sweets, namkeen, chocolates, bakery, spices, dry fruits, beverages, and pickles. Salebhai also offers other products such as handicrafts, paintings, puja items, handloom goods, and herbal & wellness items.

The unique enterprise was launched on 15<sup>th</sup> September, 2015 by Mr. Vishwavijay Singh, Mrs. Purba Kalita, and Mr. Anand Varani, after they identified a market gap, led by people migrating within Indian and abroad and goods representing their culture were mostly in short supply. After studying migration trends among Indian citizens, it was observed that most people moved to fast growing cities like Ahmedabad, Bangalore, Chennai, Delhi, Kolkata, and Mumbai – either due to employment opportunities, education, or marriage. The data on migration in the 2011 Census also revealed that 2 out of every 5 Indians are migrants, which make for a whopping 40% Diaspora population.

The market gap also demonstrated that migration created a void in people’s lives. Therefore, driven by back-to-roots philosophy, this E-commerce marketplace focuses on requirements of over 17 Diaspora communities living in big Indian cities as well as those who live abroad. With 8500 products sourced from over 100 cities and 300 select vendors, the company provides people with an opportunity to buy products in various categories from sellers across India as well as discover new items from different communities and cultures.

Furthermore, the products available on Salebhai.com are priced exactly as displayed on the shops where they are available. All products listed on this platform come with detailed description, which include – popularity, benefits, facts, place of origin, usage, etc. Apart from these, all consumable products come with serving ideas from reputed chefs. The platform also lists complete information about vendors such as their history, lineage, and reputation.





*Discover the Regional*

Salebhai.com plans to further deepen its offerings to customers by penetrating into smaller towns for sourcing, will widen our offering by adding new categories which are missed by people. The company has a strong team which consists of professionals with proven expertise in IT, marketing, content development, innovation, disruptive thinking, channel management, logistics, and customer support.

## SUMMARY OF FINANCIALS

The following tables set forth summary financial information derived from Restated Audited Financial Statements as of and for the financial years 2016 and 2017 and for the ten months period ended on January 31, 2018. Please note that in terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009, the company is required to give the financial information for the preceding 5 financial years from the date of this Draft Prospectus. Salebhai Internet Limited was incorporated on April 06, 2015; the financial information for the financial years 2016 and 2017 and for the ten months period ended on January 31, 2018 has been mentioned in this Draft Prospectus. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations, 2009. The summary financial information presented below should be read in conjunction with the chapters and notes mentioned therein titled “Management's Discussion and Analysis of Financial Conditions and Results of Operations” and “Restated Financial Statement” beginning on page nos. 165 and 187, respectively of this Draft Prospectus.

### ANNEXURE I

#### STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amt. in Lakhs)

Particulars		As on 31 January 2018	As on 31 March 2017	As on 31st March 2016
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	62.32	52.45	1.00
	(b) Reserves and surplus	548.02	(219.95)	(111.19)
<b>2</b>	<b>Share application money pending allotment</b>	8.80	Nil	Nil
<b>3</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	Nil	Nil	Nil
	(b) Deferred tax liabilities (Net)	0.15	0.19	0.35
	(c) Long-term Provisions	Nil	Nil	Nil
	(d) Other Long-term Liabilities	Nil	Nil	Nil
<b>4</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	0.00	153.11	104.69
	(b) Trade payables	13.93	95.41	7.39
	(c) Other current liabilities	18.39	4.40	0.86
	(d) Short-term provisions	12.42	11.44	7.47
	<b>TOTAL</b>	<b>664.03</b>	<b>97.05</b>	<b>10.57</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Property, Plant and Equipments	2.16	2.60	3.09
	(ii) Intangible Assets	Nil	Nil	Nil
	(iii) Capital Work in Progress	Nil	Nil	Nil
	<b>Net Block</b>	<b>2.16</b>	<b>2.60</b>	<b>3.09</b>

	(b)	Non Current Investments	Nil	Nil	Nil
	(c)	Long-term loans and advances	1.21	1.21	1.21
	(d)	Other Non Current Assets	Nil	Nil	Nil
	(e)	Deferred Tax Assets	Nil	Nil	Nil
<b>2</b>	<b>Current assets</b>				
	(a)	Current Investments	Nil	Nil	Nil
	(b)	Inventories	Nil	Nil	Nil
	(c)	Trade receivables	65.38	2.45	Nil
	(d)	Cash and Bank Balances	12.61	13.23	4.92
	(e)	Short-term loans and advances	582.67	77.56	1.34
	(f)	Other Current Assets	Nil	Nil	Nil
		<b>TOTAL</b>	<b>664.03</b>	<b>97.05</b>	<b>10.57</b>

*Note: The above statement should be read with the Statement of Assets and Liabilities, Profit and Losses, Cash Flow Statement and Significant Accounting Policies and Notes to Restated Financial Statements appearing in Annexure I, II, III, IV.*

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

ANNEXURE II					
Restated Unconsolidated Statement of Profit & Loss					
(Amt. in Lacs)					
Particulars		Refer Note No.	As on 31 January 2018	For the year ended 31 March 2017	For the year ended 31 March 2016
I.	Revenue from operations		89.14	45.42	1.25
	Less : Excise Duty & GST		Nil	Nil	Nil
			89.14	45.42	1.25
II.	Other income		24.15	0.60	2.45
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>113.29</b>	<b>46.02</b>	<b>3.70</b>
IV.	Expenses:				
	Cost of Material Consumed		Nil	Nil	Nil
	Purchase of stock in trade		38.43	Nil	Nil
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		Nil	Nil	Nil
	Employee benefits expense		121.06	102.25	64.30
	Finance costs		0.24	0.13	0.03
	Depreciation and amortization expense		1.47	3.45	1.35
	Other expenses		111.99	228.46	48.87
	<b>Total expenses</b>		<b>273.20</b>	<b>334.29</b>	<b>114.55</b>
<b>V.</b>	<b>Profit before tax (VII- VIII)</b>		<b>(159.91)</b>	<b>(288.27)</b>	<b>(110.84)</b>
VI	Exceptional Items (Prior period Item)		Nil	Nil	Nil
VII	Extraordinary Items		Nil	Nil	Nil
VIII	Tax expense:				
	(1) Current tax		Nil	Nil	Nil
	(2) Deferred tax		(0.04)	(0.16)	0.35
	(3) Earlier year Income tax		Nil	Nil	Nil
<b>IX</b>	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>(159.87)</b>	<b>(288.11)</b>	<b>(111.19)</b>

*Note: The above statement should be read with the Statement of Assets and Liabilities, Profit and Losses, Cash Flow Statement and Significant Accounting Policies and Notes to Restated Financial Statements appearing in Annexure I, II, III, IV.*

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

ANNEXURE-III							
Restated Unconsolidated Statement of Cash Flows							(Amt. in Lacs)
Sr. No.	Particulars	F.Y. 2017-18		F.Y. 2016-17		F.Y. 2015-16	
		Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)
<b>A.</b>	<b>Cash flow from Operating Activities</b>						
	Net Profit Before tax as per Statement of Profit & Loss		(159.91)		(288.27)		(110.84)
	Adjustments for :						
	Depreciation & Amortisation Exp.	1.47		3.45		1.35	
	Loss (Profit) on Sale of Assets	Nil		Nil		Nil	
	Provision for Employee Benefit	0.85		1.37		0.60	
	Dividend Income	Nil		Nil		Nil	
	Financial Cost	0.24		0.13		0.03	
	Extraordinary Items	Nil		Nil		Nil	
	Office rent	Nil		Nil		Nil	
	Interest Income	Nil		Nil		Nil	
	Preliminary Expenses Written off	Nil		Nil		Nil	
	Preliminary Expenses Incurred	Nil	2.56	Nil	4.96	Nil	1.98
	Operating Profit before working capital changes		(157.35)		(283.32)		(108.86)
	Changes in Working Capital						
	Trade receivable	(62.92)		(2.45)		Nil	
	Other Loans and advances receivable	(505.11)		(76.21)		(1.34)	
	Long term Loans and advances	Nil		(0.00)		(1.21)	
	Inventories	Nil		Nil		Nil	
	Other current assets	Nil		Nil		Nil	
	Other Non current assets	Nil		Nil		Nil	
	Trade Payables	(81.48)		88.02		7.39	
	Other Current Liabilites	13.98		3.55		0.86	
	Short term Provisions	0.13		2.60		6.87	
	Short term Borrowings	(153.11)		48.42		104.69	
			(788.51)		63.91		117.25
	Net Cash Flow from Operation		(945.85)		(219.40)		8.39

	Less : Income Tax paid		Nil		Nil		Nil
	Less : Prior Period Expenses		Nil		Nil		Nil
	Net Cash Flow from Operating Activities (A)		(945.85)		(219.40)		8.39
B.	Cash flow from investing Activities						
	Purchase of Fixed Assets (Net)	(1.03)		(2.96)		(4.44)	
	Sale of Fixed Assets	Nil		Nil		Nil	
	Movement in Loan & Advances	Nil		Nil		Nil	
	Other cash receipts from sales of equity or debt instruments of other entities	Nil		Nil		Nil	
	Interest Income	Nil		Nil		Nil	
	Dividend Income	Nil	(1.03)	Nil	(2.96)	Nil	(4.44)
	Net Cash Flow from Investing Activities (B)		(1.03)		(2.96)		(4.44)
C.	Cash Flow From Financing Activities						
	Proceeds From Issue of shares capital	946.51		230.80		1.00	
	Decrease/(Increase) in Secured Loans	Nil		Nil		Nil	
	Finance Cost	(0.24)		(0.13)		(0.03)	
	Other Borrowing Costs	Nil		Nil		Nil	
			946.27		230.67		0.97
	Net Cash Flow from Financing Activities (C)		946.27		230.67		0.97
D.	Net (Decrease)/ Increase in Cash & Cash Equivalents (A+B+C)		(0.62)		8.31		4.92
E.	Opening Cash & Cash Equivalents		13.23		4.92		Nil
F.	Cash and cash equivalents at the end of the period		12.61		13.23		4.92
G.	Cash And Cash Equivalents Comprise :						
	Cash		9.29		7.53		4.67
	Bank Balance :						
	Current Account		3.32		5.70		0.25
	Deposit Account		Nil		Nil		Nil
	Total		12.61		13.23		4.92

**Note: The above statement should be read with the Statement of Assets and Liabilities, Profit and Losses, Cash Flow Statement and Significant Accounting Policies and Notes to Restated Financial Statements appearing in Annexure I, II, III, IV.**



## THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS	
<b>Equity Shares Issued:</b> Public Issue of Equity Shares by our Company	22,59,600 Equity Shares of Face Value of Rs. 10/- each for Cash at a Price of Rs. 105/- Per Equity Share (Including a Share Premium of Rs. 95/- per Equity Share) aggregating to Rs.2372.58 lakhs.
<i>of which</i>	
<b>Issue Reserved for the Market Makers</b>	1,16,400 Equity Shares of Rs.10/- each for cash at a price of Rs. 105/-per share aggregating Rs.122.22 lakhs.
<b>Net issue to the Public*</b>	21,43,200 Equity Shares of Rs.10/- each for cash at a price of Rs.105/- per share aggregating Rs. 2250.36 lakhs
<i>of which</i>	
<b>Retail investors portion</b>	10,71,600 Equity Shares of Rs.10/- each for cash at a price of Rs. 105/-per share ( including a premium of Rs. 95/- per Equity Share) will be available for allocation for allotment to Retail Individual Investors of up to Rs.2.00 lakhs
<b>Non-Retail investors portion</b>	10,71,600 Equity Shares of Rs.10/- each for cash at a price of Rs. 105/-per share ( including a premium of Rs. 95/- per Equity Share) will be available for allocation for allotment to other Investors of Above Rs.2.00 lakhs
<b>Equity Shares outstanding prior to the Issue</b>	62,41,510 Equity Shares of face value of Rs.10/- each
<b>Equity Shares outstanding after the Issue</b>	85,01,110 Equity Shares of face value of Rs.10/- each
<b>Objects of the Issue/ Use of Issue Proceeds</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page no. 79 of this Draft Prospectus

(1) Fresh Issue of 22,59,600 Equity Shares in terms of this Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated March 06, 2018 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on March 28, 2018.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please see the section titled “**Issue Related Information**” beginning on page no. 216 of this Draft Prospectus

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

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

For further details please refer to the chapter titled “**Issue Structure**” beginning on page no. 223 of this Draft Prospectus.

## GENERAL INFORMATION

Our Company was originally incorporated in Ahmedabad as “Salebhai Internet Private Limited” on April 06, 2015 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. A fresh certificate of incorporation consequent upon conversion of Company to “Salebhai Internet Limited” was issued on February 12, 2018 by the Registrar of Companies, Ahmedabad, Gujarat. The Company’s Corporate Identity Number is U51101GJ2015PLC082801.

For further details, please refer to the chapter titled ‘*History and Certain Corporate Matters*’ beginning on page no. 135 of this Draft Prospectus.

Registered Office of our Company	
<b>CIN</b>	: U51101GJ2015PLC082801
<b>Registered Office</b>	: 307-A,C/o SafalPegashis, Opp. Kiran Motors,100ft Road, Opp; Rivera Bungalows, Prahalad Nagar, Vejalpur Ahmedabad Gujarat – 380015.
<b>IT Set Up office</b>	: 204, Dwarkesh Complex, Off. Sun Pharma Road, Old Padra Road, Atladara, Vadodara, Gujarat – 390012.
<b>Tel No.</b>	: 079-48999917
<b>Email Id</b>	: compliance@salebhai.com
<b>Website</b>	: www.salebhai.com
<b>Contact Person</b>	: Mr. Vishwavijay Singh

Address of the Registrar of Companies	
<b>Address</b>	: Registrar of Companies, Ahmedabad, Gujarat RoC Bhawan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpur, Ahmedabad-380013, Gujarat.
<b>Tel No.</b>	: 079-27437597
<b>Fax No.</b>	: 079-27438371
<b>Email Id</b>	: roc.ahmedabad@mca.gov.in
<b>Website</b>	: www.mca.gov.in

### *Designated Stock Exchange*

Our Company proposed to list its Equity Shares on SME Platform of Bombay Stock Exchange (BSE Ltd.)

<b>Address</b>	: BSE SME Platform, Regd. Office : 25 th Floor, P.J.Towers, Dalal Street, Fort, Mumbai - 400 001.
<b>Tel No.</b>	: 022-22728893
<b>Email Id.</b>	: corp.comm@bseindia.com

### Our Board of Directors

The following table sets out details regarding our Board as on the date of this Draft Prospectus:

Sr. No.	Name and Designation	Age	DIN	PAN Card No.	Address
1.	Mr. Vishwavijay singh	41	05275900	ANXPS8119C	D-51, Sachin Tower, Nr. Shayamal Cross Road, Satellite, Ahmedabad, Gujarat - 380015.
2.	Mr. Anandprakash Varani	49	02183747	AAKPV1523D	A-3, SBI Viram Flats, Opp. Central bank Of India, Nr. Ambawadi Circle, Ellisbridge, Ahmedabad, Gujarat - 380006.
3.	Mrs. Purba Kalita	42	08065129	AJZPK1747L	B-1, DGQA Officers Enclave, J C Nagar, Banglore - 560006.
4.	Mr. Pramod Rao	39	01789413	AKPPR9816C	10 Pratham Enclave, Opp Sun Pharma Road, Centre Off Old Padra Road, Atladara, Vadodara - 390012.
5.	Mr. Virendrasingh Shekhawat	43	06981792	ARPPS9047K	1-B/301, Neighbourhood Complex, Lokhandwala Township, Akurli Road Kandivali East, Mumbai - 400101.
6.	Mrs. Dipti Udani	42	08064564	ALUPP1994R	702, Vinayak Kunj, Plot No.172, Nehru Road, Vileparle East, Mumbai - 400057.

For detailed profile of our Board of Directors, refer to chapter titled **‘Our Management’** on page no. 139 of this Draft Prospectus.

### Company Secretary & Compliance Officer

<b>Name</b>	: Ms. Chitra Thaker
<b>Address</b>	: 307-A,C/o SafalPegashis, Opp. Kiran Motors,100ft Road, Opp: Rivera Bungalows, Prahalad Nagar, Vejalpur, Ahmedabad, Gujarat – 380015.
<b>Tel No.</b>	: 079-48999917
<b>Email Id</b>	: compliance@salebhai.com

### Chief Financial Officer

<b>Name</b>	: Mr. Anandprakash Varani
<b>Address</b>	: 307-A,C/o SafalPegashis, Opp. Kiran Motors,100ft Road, Opp: Rivera Bungalows, Prahalad Nagar, Vejalpur Ahmedabad Gujarat – 380015.
<b>Tel No.</b>	: 079-48999917
<b>Email Id</b>	: compliance@salebhai.com

**Note:**

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue, i.e. *Skyline Financial Services Private Limited* and/ or the Lead Manager, i.e. *Monarch Networth Capital Limited*, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, or/and non-receipt of funds by electronic mode etc.

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

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

**Lead Manager for The Company**

<b>Name</b>	: Monarch Networth Capital Limited (Earlier known as Networth Stock Broking Limited)
<b>Corporate Office</b>	: Monarch House, Opp. Ishwar Bhuvan, Commerce Six Roads, Navrangpura, Ahmedabad- 380014.
<b>Tel No.</b>	: 079 – 6600 0500 / 700
<b>Fax No.</b>	: 079 – 26666599
<b>Email Id</b>	: shivam.patel@mnclgroup.com
<b>Contact Person</b>	: Mr. Shivam Patel
<b>Website</b>	: www.mnclgroup.com
<b>SEBI Registration No.</b>	: MB/INM000011013
<b>CIN</b>	: L65920MH1993PLC075393

**Registrar To The Issue**

<b>Name</b>	: Skyline Financial Services Private Limited
<b>Address</b>	: 4A9, Gundecha Onclave, Kherani Road, Sakinaka, Mumbai – 400072.
<b>Tel No.</b>	: 022 28511022 / 022 62215779
<b>Fax No.</b>	: +91 11 26812682
<b>Email Id</b>	: viren@skylinerta.com
<b>Contact Person</b>	: Mr. Virendra Rana / Mr. Subhash Dhingreja
<b>Website</b>	: www.skylinerta.com
<b>SEBI Registration No.</b>	: INR000003241
<b>CIN</b>	: U74899DL1995PTC071324

**Legal Advisor To The Company**

<b>Name</b>	: M/s. Pooja Legal Ventures
<b>Address</b>	: 8/14, Malad Co-op. Hsg. Society Ltd., Poddar Park, Malad (East), Mumbai-400097.
<b>Tel No.</b>	: 9022869773
<b>Email Id</b>	: poojalegalventures@gmail.com
<b>Contact Person</b>	: Ms. Pooja Sharma
<b>Certificate of Practice No.</b>	: MAH/5967/2013

**Statutory Auditor of The Company**

<b>Name</b>	: M/s. Sunil Dad & co.
<b>Address</b>	: 1016, Anand Mangal –III, Opp. Core House, Apollo City Center Lane, Nr. Parimal Cross Road, Ambawadi, Ahmedabad – 380015.
<b>Tel No.</b>	: 079 – 300 270 85
<b>Email Id</b>	: info@sdco.co.in
<b>Contact Person</b>	: Mr. Sunil dad
<b>Membership No.</b>	: 120702
<b>Firm Registration No.</b>	: 126741W

**Banker(S) To The Company**

<b>Name</b>	: ICICI Bank Limited
<b>Address</b>	: 3, Dev Aurum, Nr. Anand Nagar Cross Roads, 100ft Road, Sattelite, Ahmedabad – 380015.
<b>Tel No.</b>	: + 91 7573984882
<b>Email Id</b>	: Manish.gajjar@icicibank.com
<b>Contact Person</b>	: Mr. Manish Gajjar
<b>Website</b>	: www.icicibank.com

**Underwriter (S) To The Issue**

<b>Name</b>	: Monarch Networth Capital Limited (Earlier known as Networth Stock Broking Limited)
<b>Address</b>	: Monarch House, Opp. IshwarBhuwan, Commerce Six Roads, Navrangpura, Ahmedabad- 380014.
<b>Tel No.</b>	: 079 – 6600 0500 / 700
<b>Fax No.</b>	: 079 – 26666599
<b>Email Id</b>	: shivam.patel@mnclgroup.com
<b>Contact Person</b>	: Mr. Shivam Patel
<b>Website</b>	: www.mnclgroup.com
<b>SEBI Registration No.</b>	: MB/INM000011013
<b>CIN</b>	: L65920MH1993PLC075393

**Market Marker(S) To The Issue**

<b>Name</b>	: Monarch Networth Capital Limited (Earlier known as Networth Stock Broking Limited)
<b>Address</b>	: Monarch House, Opp. IshwarBhuwan, Commerce Six Roads, Navrangpura, Ahmedabad- 380014.
<b>Tel No.</b>	: 079 – 6600 0500 / 700
<b>Fax No.</b>	: 079 – 26666599
<b>Email Id</b>	: shivam.patel@mnclgroup.com
<b>Contact Person</b>	: Mr. Shivam Patel
<b>Website</b>	: www.mnclgroup.com
<b>SEBI Registration No.</b>	: INZ000008037
<b>CIN</b>	: L65920MH1993PLC075393

**Banker(S) To The Issue/ Escrow Collection Bank/ Refund Bank**

<b>Name</b>	[•]
<b>Address</b>	[•]
<b>Tel No.</b>	[•]
<b>Fax No.</b>	[•]
<b>Email Id</b>	[•]
<b>Contact Person</b>	[•]
<b>Website</b>	[•]
<b>SEBI Registration No.</b>	[•]

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

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

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

Since Monarch Network Capital Limited is the sole Lead Manager to the Issue, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

**Credit Rating**

This being an Issue of Equity Shares, there is no requirement of credit rating.

**Trustees**

This is being an Issue of Equity Shares; the appointment of trustee is not required.

**IPO Grading**

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

**Brokers to the Issue**

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

**Inter-Se Allocation of Responsibilities**

Since Monarch Network Capital Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

**Expert Opinion**

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



Our Company has received consent from the Peer Review Auditors of the Company to include their name as an expert in this Draft Prospectus in relation to the (a) Statutory Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits and such consent has not been withdrawn as on the date of this Draft Prospectus.

### Issue Programme

Issue Opening Date	[•]
Issue Closing Date	[•]
Finalization of Basis of Allotment with the Designated Stock Exchange	[•]
Initiation of Allotment / Refunds / Unblocking of Funds	[•]
Credit of Equity Shares to demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchange	[•]

### Appraisal and Monitoring Agency

As per Regulation 16(1) of SEBI (ICDR) Regulations the requirement of Monitoring Agency is not mandatory if the issue size is below Rs. 100 Crore. Since this Issue Size is only of Rs. 2372.58 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the SEBI(LODR) Regulations, 2015 to be entered into with BSE upon listing of the Equity Shares and the corporate governance requirements, inter-alia, the audit committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

### Underwriting Agreement

This Issue is 100% Underwritten. The Underwriting agreement is dated April 02, 2018 Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriters	No. of Equity Shares underwritten	Amount Underwritten (Rs. in lacs)	% of the total Issue Size Underwritten
<b>Monarch Networth Capital Limited</b> Monarch House, Opp. IshwarBhuwan, Commerce Six Roads, Navrangpura, Ahmedabad- 380014, India, <b>Tel No. :</b> 79 26666500, 66000500 <b>Email :</b> shivam.patel@mnclgroup.com <b>Investor Grievance Email:</b> cs@mnclgroup.com <b>Website:</b> www.mnclgroup.com <b>Contact Person:</b> Mr. Shivam Patel <b>SEBI Registration No.</b> MB/INM000011013 <b>CIN No:</b> L65920MH1993PLC075393	22,59,600	2372.58	100%
<b>Total</b>	22,59,600	2372.58	100%

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above mentioned Underwriters are sufficient to enable them to discharge the underwriting obligations in full. The abovementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

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

Our Company and the Lead Manager have entered into an agreement dated April 02, 2018, with the Market Maker – Monarch Networth Capital Limited, duly registered with BSE Limited to fulfill the obligations of Market Making.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2009, and its amendments thereto and the circulars issued by the BSE and SEBI regarding this matter from time to time.

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000. However, the investors with holdings of value less than Rs. 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25%. (Including the 5% of Equity Shares of the Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue 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.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. 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.
6. There would not be more than 5 (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.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days as per circular no. CIR/MRD/DP/02/2012 dated January 20, 2012.
10. 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.

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

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers not exceeding 5 (Five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

12. **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
13. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
14. In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it was decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
UptoRs. 20 Crores	25%	24%
Rs. 20 Crores to Rs. 50 Crores	20%	19%
Rs. 50 Crores to Rs. 80 Crores	15%	14%
Above Rs. 80 Crores	12%	11%

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

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

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Prospectus is set forth below:

(Amt in Rs.)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue price
<b>A.</b>	<b>Authorized Share Capital</b>		
	90,00,000 Equity Shares of Rs. 10/- each	9,00,00,000	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	62,41,510 Equity Shares of Rs. 10/- each	6,24,15,100	-
<b>C.</b>	<b>Present Issue in terms of this Draft Prospectus*</b>		
	Issue of 22,59,600 Equity Shares of face value of Rs. 10/- each at a Issue price of Rs. 105/- per Equity Share	2,25,96,000	23,72,58,000
	<i>Which comprises:</i>		
	<b>(a) Reservation for Market Maker(s)</b> 1,16,400 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. 105/- per Equity Share	11,64,000	1,22,22,000
	<b>(b) Net Issue to the Public</b> of 21,43,200 Equity Shares of face value of Rs. 10/- each at a price of Rs. 105/- per Equity Share	2,14,32,000	22,50,36,000
	<b>Of the Net Issue to the Public</b>		
	10,71,600 Equity Shares of face value of Rs. 10/- each at a price of Rs. 105/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. <b>2.00 Lakhs (Retail Investors)</b>	1,07,16,000	11,25,18,000
	10,71,600 Equity Shares of face value of Rs. 10/- each at a price of Rs. 105/- per Equity Share shall be available for allocation for Investors applying for a value of above Rs. <b>2.00 Lakhs (Non-Retail Investors)</b>	1,07,16,000	11,25,18,000
<b>D.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	85,01,110 Equity Shares of Rs. 10/- each	8,50,11,100	
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		5,54,14,323
	After the Issue		27,00,76,323

\*The Present Issue has been authorized pursuant to a resolution of our Board dated March 06, 2018 and by Special Resolution passed under Section 23(1)(a) and 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of our shareholders held on March 28, 2018.

## NOTES TO THE CAPITAL STRUCTURE

### 1. Details of increase in Authorized Share Capital:

Since the incorporation of our Company, the authorized Share Capital of our Company has been altered in the manner set forth below:

Sr. No.	Date of the Meeting	Particulars		Type of Meeting
		From	To	
1.	On Incorporation	---	10,000 Equity Shares of Rs. 10 each	NA
2.	13 <sup>th</sup> April, 2016	10,000 Equity Shares of Rs. 10 each	10,00,000 Equity Shares of Rs. 10 each	EGM
3.	09 <sup>th</sup> March, 2018	10,00,000 Equity Shares of Rs. 10 each	65,00,000 Equity Shares of Rs. 10 each	EGM
4.	28 <sup>th</sup> March, 2018	65,00,000 Equity Shares of Rs. 10 each	90,00,000 Equity Shares of Rs. 10 each	EGM

### 2. Share Capital History of the Company\*:

Sr. no.	Date of Allotment of Equity Shares	No. of shares Allotted	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, Bonus, Consideration on other than cash)	Cumulative Share Capital (Rs.)	Nature of / Reasons for Allotment
1	As per Memorandum	10,000	10,000	10	10	Cash	1,00,000	On Subscription to MOA
2	02 April, 2016	103	10,103	10	1,456	Cash	1,01,030	Further Allotment
3	08 June, 2016	5,00,000	5,10,103	10	10	Cash	51,01,030	Further Allotment
4	15 June, 2016	3,657	5,13,760	10	588	Cash	51,37,600	Further Allotment
5	22 June, 2016	2,565	5,16,325	10	1,460	Cash	51,63,250	Further Allotment
6	26 July, 2016	684	5,17,009	10	1,462	Cash	51,70,090	Further Allotment
7	26 July, 2016	342	5,17,351	10	1,461	Cash	51,73,510	Further Allotment
8	28 July, 2016	134	5,17,485	10	1,490	Cash	51,74,850	Further Allotment
9	30 July, 2016	10	5,17,495	10	1,500	Cash	51,74,950	Further Allotment
10	10 September, 2016	342	5,17,837	10	1,462	Cash	51,78,370	Further Allotment
11	24 September,	234	5,18,071	10	1,500	Cash	51,80,710	Further Allotment

	2016							
12	22 October, 2016	318	5,18,389	10	1,462	Cash	51,83,890	Further Allotment
13	04 March, 2017	6,156	5,24,545	10	1,462	Cash	52,45,450	Further Allotment
14	21 April, 2017	1,051	5,25,596	10	950	Cash	52,55,960	Further Allotment
15	29 July, 2017	1,088	5,26,684	10	950	Cash	52,66,840	Further Allotment
16	28 August, 2017	210	5,26,894	10	950	Cash	52,68,940	Further Allotment
17	31 October, 2017	3,398	5,30,292	10	950	Cash	53,02,920	Further Allotment
18	30 November, 2017	10,096	5,40,388	10	950	Cash	54,03,880	Further Allotment
19	01 January, 2018	13,020	5,53,408	10	950	Cash	55,34,080	Further Allotment
20	18 January, 2018	69,819	6,23,227	10	950	Cash	62,32,270	Further Allotment
21	15 February, 2018	924	6,24,151	10	950	Cash	62,41,510	Further Allotment
22	30 March, 2018	56,17,359	62,41,510	10	NA	NA	6,24,15,100	Bonus Allotment

\*Company has made various allotments and has done irregular filing with RoC and has filed forms with RoC along with late fees.

Subscribers to MOA are as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Anandprakash Varani	1,400
2	Prajwala Rao	500
3	Gopal Shukla	1,600
4	Vishwavijay Singh	5,000
5	Priyanka Singh	1,500
	Total	10,000

The list of allottees to whom the further shares were issued as on 02nd April, 2016 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Vidhata Varani	103
	Total	103

The list of allottees to whom the further shares were issued as on 08th June, 2016 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Vishwavijay Singh	2,35,000
2.	Purba Kalita	10,000
3.	Prajawala Rao	25,000
4.	Anand Varani	70,000
5.	Gopal Shukla	80,000
6.	Priyanka Singh	75,000
7.	Yogesh Patel	5,000



Sr. No.	Name of the Allotees	No. of shares Allotted
	Total	5,00,000

The list of allottees to whom the further shares were issued as on 15th June, 2016 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Yogesh Patel	1,956
2	Deepak Chokhani	1,701
	Total	3,657

The list of allottees to whom the further shares were issued as on 22th June, 2016 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Mohammad Salim	342
2	Vaskar Dasgupta	342
3	Lokesh Mathur	171
4	Gayathri Raghunathan	342
5	Hemant Varani	342
6	Ramchand Punjabi	684
7	Nilesh Vadodariya	342
	Total	2,565

The list of allottees to whom the further shares were issued as on 26th July, 2016 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Shaival Bhatt	342
2	Upendra Bhatt	342
3	Tejal V. Vaghela jointly with Vanraj singh Vaghela	342
	Total	1,026

The list of allottees to whom the further shares were issued as on 28th July, 2016 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Ashish Nemani	134
	Total	134

The list of allottees to whom the further shares were issued as on 30th July, 2016 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Benett & Coleman Company Limited	10
	Total	10

The list of allottees to whom the further shares were issued as on 10th September, 2016 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Sandeep Bhattacharjee	342
	Total	342

The list of allottees to whom the further shares were issued as on 24th September, 2016 is as follows:

S. No.	Name of the Allotees	No. of shares Allotted
1	Amit Mittal	134
2	Stud Farm Infrastructure Pvt. Ltd.	100
	Total	234

The list of allottees to whom the further shares were issued as on 22th October, 2016 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Shardul Vikram	318
	Total	318

The list of allottees to whom the further shares were issued as on 04th March, 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Alkaben Marfatia	2,052
2	Gunvantiben Udani	2,052
3	Pravinchandra Udani (HUF)	2,052
	Total	6,156

The list of allottees to whom the further shares were issued as on 21th April, 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Alkaben Marfatia	351
2	Gunvantiben Udani	350
3	Pravinchandra Udani (HUF)	350
	Total	1,051

The list of allottees to whom the further shares were issued as on 29th July, 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Shardul Vikram	36
2	Dr. Jitendra Shroff	1,052
	Total	1,088

The list of allottees to whom the further shares were issued as on 28th August, 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Avanti Dand	210
	Total	210

The list of allottees to whom the further shares were issued as on 31st October, 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Devesh Dand	715
2	Dilip Nakiya	631
3	Kishor Nakiya	1,263
4	Ramanbhai Chavda	263
5	Vedprakash Mishra	526
	Total	3,398

The list of allottees to whom the further shares were issued as on 30th November, 2017 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Darpan Anand	736
2	Prakash Ranjan Lal	289
3	Neelam Naik	157
4	Priyanka Singh	1,873

Sr. No.	Name of the Allotees	No. of shares Allotted
5	Ajay Parihar	526
6	Alka Sinha	157
7	Ramanjit Bhalla	1,052
8	Damanjit Bhalla	1,052
9	Mansukh Bharwad	52
10	Ketan Kansara	289
11	Binita Bajaj	289
12	Kalpana Bajaj	289
13	Anandprakash Varani	1,806
14	Deepa Bhalla	526
15	AmishShah	173
16	Uzma Zabin	252
17	Rajeev Asija	578
	Total	10,096

The list of allottees to whom the further shares were issued as on 1st January, 2018 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Sanjay Datt	210
2	Animesh Gupta Bhaya	173
3	Abhishek Gupta Bhaya	473
4	Utpal Kumar Sarma	315
5	Ruchira Mitra	157
6	Tapan Mitra	157
7	Guarav Arora	1,052
8	Antika Singh	526
9	Vishawavijay singh	9,222
10	Sarita Tripathi	578
11	Prakash Chandra Kalita	157
	Total	13,020

The list of allottees to whom the further shares were issued as on 18th January, 2018 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Bennett Coleman And Co.	68,421
2	Gopal Shukla	1,398
	Total	69,819

The list of allottees to whom the further shares were issued as on 15th February, 2018 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Harshad Ratilal	578
2	Ktetan Gupta	173
3	Narayan Madhavlal	173
	Total	924

The list of allottees to whom the further shares were issued as on 30th March, 2018 is as follows:

Sr. No.	Name of the Allotees	No. of shares Allotted
1	Vidhata Varani	1,422
2	Vishwa Vijay Singh	22,42,998

Sr. No.	Name of the Allotees	No. of shares Allotted
3	Purba Kalita	1,80,000
4	Anand Prakash Varani	5,83,137
5	Gopal Shukla	6,11,982
6	Priyanka Singh	4,62,357
7	Yogesh Patel	62,604
8	Alka Marfatiya	48,870
9	Gunvanti P Udani	48,861
10	Pravinchandra Udani (Huf)	48,852
11	Amit J. Mittal	6,633
12	Nilesh Vadodaria	16,065
13	Dr. Jitendra Shroff	14,202
14	Anju Singh	4,734
15	Ramanbhai Narsinhbhai Chavda	7,101
16	Brahm Kishore	4,734
17	Vishwanath Natesh	4,734
18	Pavar Mahesh Devidas	1,86,219
19	Amit Sharadbhai Joshi	1,35,414
20	Singh Priya Mahesh	45,000
21	Savitri Singh	63,000
22	Birendra Mohanty	14,292
23	Ajay Parihar	5,364
24	Hiren Arvindbhai Parekh	4,734
25	Mohammad Salim	4,734
26	Vaskar Dasgupta	4,734
27	Ramchandra Punjabi	9,477
28	Gayathri Raghunathan	4,734
29	Hemantkumar R. Varani	4,734
30	Lokesh Mathur	2,367
31	Shaival Bhatt	4,734
32	Upendra Bhatt	4,734
33	Tejalben & Vanrajsingh Vaghela	4,734
34	Animesh Gupta Bhaya	1,557
35	Abhishek Gupta Bhaya	4,257
36	Utpal Kumar Sarma	2,835
37	Ruchira Mitra	1,413
38	Tapan Kumar Mitra	1,413
39	Gaurav Arora	9,468
40	Antika Singh	4,734
41	Sarita Tripathi	5,202
42	Prakash Chandra Kalita	1,413
43	Devesh Dilip Dand	6,435
44	Dilip Nakiya	5,679
45	Kishor Nakiya	11,367
46	Vedprakash K. Mishra	4,734
47	Darpan Anand	6,624
48	Prakash Ranjan Lal	2,601
49	Neelam Naik	1,413
50	Alka Sinha	1,413
51	Ramanjit Singh Bhalla	9,468

Sr. No.	Name of the Allotees	No. of shares Allotted
52	Damanjit Singh Bhalla	9,468
53	Mansukh G. Bharwad	468
54	Ketan Ramniklal Kansara	2,601
55	Binita Ramgopal Bajaj	2,601
56	Kalpana Jugal Bajaj	2,601
57	Deepa Bhalla	4,734
58	Amish Maheshbhai Shah	1,557
59	Uzma Zabin	2,268
60	Rajeev Asija	5,202
61	Sanjay Datt	1,890
62	Ashish Nemani	1,899
63	Sandeep Bhattacharjee	4,734
64	Shardul Vikram	4,725
65	Deepak Chokhani	15,309
66	Benett & Coleman Co.	6,15,879
67	Stud Farm Infrastructure Private Limited	900
68	Avanti Devesh Dand	1,890
69	Narayan Madhavlal	1,557
70	Harshadkumar Ratilal	5,202
71	Ketan M. Gupta	1,557
	Total	56,17,359

3. **Equity Shares issued for consideration other than cash by Our Company:**

Except for as mentioned above, our Company has not issued any other equity shares for consideration other than cash.

4. **Capital Build up of the Promoters:**

Name of the Allotee's	Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price (Rs.)	Consideration	Nature of Allotment/ Transfer	Source of funds*	% of the Paid-up Capital	
								Pre-Issue	Post-Issue
Mr. Vishwavijay Singh	On Incorporation	5,000	10	10	50,000	On Subscription to MOA	Own	0.08	0.06
	8th June, 2016	2,35,000	10	10	23,50,000	further allotment	Own	3.77	2.76
	1st January, 2018	9,222	10	950	87,60,900	further allotment	Own	0.15	0.11
	30 <sup>th</sup> March, 2018	22,42,998	10	N.A.	-	Bonus Issue	N.A.	35.94	26.38
	<b>Total</b>	<b>24,92,220</b>						<b>39.94</b>	<b>29.31</b>
Mr. Anandprakash Varani	On Incorporation	1,400	10	10	14,000	On Subscription to MOA	Own	0.02	0.02
	8th June, 2016	70,000	10	10	7,00,000	further allotment	Own	1.12	0.82
	10th June, 2016	1,587	10	10	15,870	Transfer	Own	0.03	0.02
	10th June, 2016	(5,000)	10	10	(50,000)	N.A.	N.A.	(0.08)	(0.06)

Name of the Allottee's	Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price (Rs.)	Consideration	Nature of Allotment/ Transfer	Source of funds*	% of the Paid-up Capital	
								Pre-Issue	Post-Issue
	12th June, 2016	(5,000)	10	10	(50,000)	N.A.	N.A.	(0.08)	(0.06)
	30th November, 2017	1,806	10	950	17,15,700	further allotment	Own	0.03	0.02
	30 <sup>th</sup> March, 2018	5,83,137	10	N.A.	-	Bonus Issue	NA	9.34	6.86
	<b>Total</b>	<b>6,47,930</b>						<b>10.38</b>	<b>7.62</b>
Mrs. Purba Kalita	8th June, 2016	10,000	10	10	1,00,000	Further Allotment	Own	0.16	0.12
	10th June, 2016	15,000	10	10	1,50,000	Transfer	Own	0.24	0.18
	12th June, 2016	(5,000)	10	10	(50,000)	N.A.	N.A.	(0.08)	(0.06)
	30 <sup>th</sup> March, 2018	1,80,000	10	N.A.	-	Bonus Issue	N.A.	2.88	2.12
	<b>Total</b>	<b>2,00,000</b>						<b>3.20</b>	<b>2.36</b>
<b>Total Promoters Holding</b>		<b>33,40,150</b>						<b>53.52</b>	<b>39.29</b>

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

None of the Equity Shares held by our Promoters are pledged.

#### 5. Capital Build up of the Promoter Group:

Name of the Allottee's	Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price (Rs.)	Consideration	Nature of Allotment/ Transfer	% of the Paid-up Capital	
							Pre-Issue	Post-Issue
Mr. Gopal Shukla	On Incorporation	1,600	10	10	16,000	Subscription to MOA	0.03	0.02
	8th June, 2016	80,000	10	10	8,00,000	Further Allotment	1.28	0.94
	10th June, 2016	(15,000)	10	10	(1,50,000)	Transfer	(0.24)	(0.18)
	18th January, 2018	1,398	10	950	13,28,100	Further Allotment	0.02	0.02
	30 <sup>th</sup> March, 2018	6,11,982	10	N.A.	-	Bonus Issue	9.81	7.20
	<b>Total</b>	<b>6,79,980</b>						<b>10.90</b>
Mrs. Priyanka Singh	On Incorporation	1,500	10	10	15,000	Subscription to MOA	0.02	0.02
	8th June, 2016	75,000	10	10	7,50,000	Further Allotment	1.20	0.88
	10th June, 2016	(12,000)	10	10	(1,20,000)	Transfer	(0.19)	(0.14)
	12th June, 2016	(15,000)	10	10	(1,50,000)	Transfer	(0.24)	(0.18)
	30th November, 2017	1,873	10	950	17,79,350	Further Allotment	0.03	0.02

Name of the Allottee's	Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price (Rs.)	Consideration	Nature of Allotment/ Transfer	% of the Paid-up Capital	
							Pre-Issue	Post-Issue
	30 <sup>th</sup> March, 2018	4,62,357	10	N.A.	-	Bonus Issue	7.41	5.44
	<b>Total</b>	<b>5,13,730</b>					<b>8.23</b>	<b>6.04</b>
Mrs. Priya Singh	10th June, 2016	5,000	10	10	50,000	Transfer	0.08	0.06
	30 <sup>th</sup> March, 2018	45,000	10	N.A.	4,50,000	Bonus Issue	0.72	0.53
	<b>Total</b>	<b>50,000</b>					<b>0.80</b>	<b>0.59</b>
Mrs. Savitri Singh	10th June, 2016	7,000	10	10	70,000	Transfer	0.11	0.08
	30 <sup>th</sup> March, 2018	63,000	10	N.A.	-	Bonus Issue	1.01	0.74
	<b>Total</b>	<b>70,000</b>					<b>1.12</b>	<b>0.82</b>
Mr. Hemantkumar Varani	12th June, 2016	184	10	10	1,840	Transfer	Negligible	Negligible
	22nd June, 2016	342	10	1,460	4,99,320	Further Allotment	Negligible	Negligible
	30 <sup>th</sup> March, 2018	4,734	10	N.A.	-	Bonus Issue	0.08	0.06
	<b>Total</b>	<b>5,260</b>					<b>0.08</b>	<b>0.06</b>
Ms. Vidhata Varani	2nd April, 2016	103	10	1,462	1,50,586	Further Allotment	Negligible	Negligible
	12th June, 2016	55	10	10	550	Transfer	Negligible	Negligible
	30 <sup>th</sup> March, 2018	1,422	10	N.A.	-	Bonus Issue	0.02	0.02
	<b>Total</b>	<b>1,580</b>					<b>0.02</b>	<b>0.02</b>
Mr. Utpal Kumar Sarma	1st January, 2018	315	10	950	2,99,250	Further Allotment	Negligible	Negligible
	30 <sup>th</sup> March, 2018	2,835	10	N.A.	-	Bonus Issue	0.05	0.03
	<b>Total</b>	<b>3,150</b>					<b>0.05</b>	<b>0.03</b>
Mr. Prakash Chandra kalita	1st January, 2018	157	10	950	1,49,150	Further Allotment	Negligible	Negligible
	30 <sup>th</sup> March, 2018	1,413	10	N.A.	-	Bonus Issue	0.02	0.02
	<b>Total</b>	<b>1,570</b>					<b>0.02</b>	<b>0.02</b>
Stud Farm Infrastructure Pvt. Ltd.	24th September, 2016	100	10	1,500	1,50,000	Further Allotment	Negligible	Negligible
	30 <sup>th</sup> March, 2018	900	10	N.A.	-	Bonus Issue	0.01	0.01
	<b>Total</b>	<b>1,000</b>					<b>0.01</b>	<b>0.01</b>
<b>Total Promoter Group Holding</b>		<b>13,26,270</b>					<b>21.23</b>	<b>15.59</b>



## 6. Details of Promoters' contribution and Lock-in

As per Regulation 32(1)(a) and 36(a) of the SEBI (ICDR) Regulations, 2009, and in terms of the aforesaid table, an aggregate of 20% of the post-issue equity share capital of our Company ('minimum Promoters' contribution') shall be locked in by our Promoters for a period of 3 (Three) years from the date of Allotment.

The Promoters' contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI (ICDR) Regulations, 2009.

Our Company has obtained written consents dated April 25, 2018 from our Promoters for the lock-in of 17,02,000 equity shares for a period of 3 (Three) years from the date of Allotment in the Issue. The details of the equity shares held by our Promoters, which are locked in for a period of 3 (Three) years from the date of Allotment in the Issue are given below:

### Promoter Contribution and Lock-in Details

#### For 3 Years

Name of the Promoter	Date of Allotment of Fully Paid-up Shares	No. of Equity Shares Locked-in	Nature of Issue/ Acquisition	FV (Rs.)	Issue Price (Rs.)	% of the Paid-up Capital	
						Pre-Issue	Post- Issue
Mr. Vishwavijay Singh	On Incorporation	5,000	On Subscription to MOA	10	10	0.08	0.06
	8th June, 2016	2,35,000	Further Allotment	10	10	3.77	2.76
	1st January, 2018	9,222	Further Allotment	10	950	0.15	0.11
	30 <sup>th</sup> March, 2018	10,20,640	Bonus Issue	10	N.A.	16.35	12.01
	<b>Total</b>	<b>12,69,862</b>					<b>20.35</b>
Mr. Anandprakash Varani	On Incorporation	1,400	On Subscription to MOA	10	10	0.02	0.02
	8th June, 2016	70,000	Further Allotment	10	10	1.12	0.82
	10th June, 2016	1,587	Transfer	10	10	0.03	0.02
	10th June, 2016	(5,000)	N.A.	10	10	(0.08)	(0.06)
	12th June, 2016	(5,000)	N.A.	10	10	(0.08)	(0.06)
	30th November, 2017	1,806	Further Allotment	10	950	0.03	0.02
	30 <sup>th</sup> March, 2018	2,65,395	Bonus Issue	10	N.A.	4.25	3.12
	<b>Total</b>	<b>3,30,188</b>					<b>5.29</b>
Mrs. Purba Kalita	8th June, 2016	10,000	Further Allotment	10	10	0.16	0.12

	10th June, 2016	15,000	Transfer	10	10	0.24	0.18
	12th June, 2016	(5,000)	N.A.	10	10	(0.08)	(0.06)
	30 <sup>th</sup> March, 2018	81,950	Bonus Issue	10	N.A.	1.31	0.96
	<b>Total</b>	<b>1,01,950</b>				<b>1.63</b>	<b>1.20</b>
<b>Total Lock-in</b>		<b>17,02,000</b>				<b>27.27</b>	<b>20.02</b>

The Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 33 of the SEBI (ICDR) Regulations, 2009. Equity Shares offered by the Promoters for the minimum Promoters' contribution are not subject to pledge. Lock-in period shall commence from the date of Allotment of Equity Shares in the Issue.

We confirm that the minimum Promoters' contribution of 20% which is subject to lock-in for 3 (Three) years does not consist of:

- a) Equity shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;
- b) Equity shares acquired during the preceding three years resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- c) Equity shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue;
- d) Equity shares pledged with any creditor.

Further, (i) no equity shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-233 of the Companies Act, 2013 and (ii) our Company has not been formed by the conversion of a partnership firm into a company.

The share certificates for the equity shares in physical form, which are subject to lock-in, shall carry the inscription 'non-transferable' and the non-transferability details shall be informed to the depositories.

Equity shares locked-in for one year

As per Regulation 36(b) of the SEBI (ICDR) Regulations, 2009, in addition to 20% of the post-issue shareholding of our Company ('minimum Promoters' contribution') locked-in for 3 (Three) years, the balance equity shares, i.e. 16,38,150 equity shares, held by the Promoters in excess of minimum Promoters' contribution shall be locked in for a period of 1 (One) year from the date of Allotment in the Issue. Further, such lock-in of the equity shares would be created as per the bye laws of the Depositories.

Also, as per Regulation 37 of the SEBI (ICDR) Regulations, 2009, the entire pre-issue equity share capital of the Company held by persons other than Promoters shall be locked-in for a period of 1 (One) year.

**For 1 year**

Name of the Promoters	Date of Allotment of Fully Paid-up Shares	No. of Equity Shares Locked-in	Nature of Issue/ Acquisition	FV (Rs.)	Issue Price (Rs.)	% of the Paid-up Capital	
						Pre-Issue	Post-Issue
Mr. Vishwavijay Singh	30 <sup>th</sup> March, 2018	12,22,358	Bonus Issue	10	N.A.	19.58	14.38
Mr. Anandprakash Varani	30 <sup>th</sup> March, 2018	3,17,742	Bonus Issue	10	N.A.	5.09	3.74
Mrs. Purba Kalita	30 <sup>th</sup> March, 2018	98,050	Bonus Issue	10	N.A.	1.57	1.15
<b>Total Lock-in</b>		<b>16,38,150</b>				<b>26.24</b>	<b>19.27</b>

Other requirements in respect of 'lock-in'

In terms of Regulation 40 of the SEBI (ICDR) Regulations, 2009, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 36 of the SEBI (ICDR) Regulations, 2009, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 40 of the SEBI (ICDR) Regulations, 2009, the Equity Shares held by persons other than the Promoters' prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, 2009, 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.

In terms of Regulation 39 of the SEBI (ICDR) Regulations, 2009, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

If the specified securities are locked-in in terms of Regulation 36(a) of the SEBI (ICDR) Regulations, 2009, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the Issue and the pledge of specified securities is one of the terms of sanction of the loan;

If the specified securities are locked-in in terms of Regulation 36(b) of the SEBI (ICDR) Regulations, 2009 and the pledge of specified securities is one of the terms of sanction of the loan.

## 7. Our Shareholding Pattern:

The table below presents the current shareholding pattern of our Company as per Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Summary Statement – Holding of Specified Securities

### Summary Statement – Holding of Specified Securities

Category	Category of Shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in Equity shares			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of equity shares held in dematerialized form
						No of Voting Rights (Pre-issue)				No	As a % of total Shares held	
						Equity Shares	Total	Total as % of Total				
(A)	Promoter & Promoter Group	12	46,66,420	46,66,420	74.76	46,66,420	46,66,420	74.76	74.76	NIL	NIL	NIL
(B)	Public	59	15,75,090	15,75,090	25.24	15,75,090	15,75,090	25.24	25.24	NIL	NIL	NIL
(C)	Non Promoter-Non Public	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(C1)	Shares underlying DRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(C2)	Shares held by Employee Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total</b>	<b>71</b>	<b>62,41,510</b>	<b>62,41,510</b>	<b>100</b>	<b>62,41,510</b>	<b>62,41,510</b>	<b>100</b>	<b>100</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

Statement showing shareholding pattern of Promoter and Promoter Group

	Category & Name of the Shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in equity shares			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of equity shares held in dematerialized form
						No of Voting Rights				No (a)	As a % of total Shares held (b)	
						Equity shares	Total	Total as % of (A)				
1	Indian											
(a)	Individuals/Hindu undivided Family											
	Mr. Vishwavijay Singh		24,92,220	24,92,220	40	24,92,220	24,92,220	40	40	Nil	Nil	Nil
	Mr. Anandprakash varani		6,47,930	6,47,930	10.38	6,47,930	6,47,930	10.38	10.38	Nil	Nil	Nil
	Mrs. Purba Kalita		2,00,000	2,00,000	3.20	2,00,000	2,00,000	3.20	3.20	Nil	Nil	Nil
	Mr. Gopal Shukla		6,79,980	6,79,980	10.89	6,79,980	6,79,980	10.89	10.89	Nil	Nil	Nil
	Mrs. Priyanka Singh		5,13,730	5,13,730	8.23	5,13,730	5,13,730	8.23	8.23	Nil	Nil	Nil
	Ms. Vidhata Varani		1,580	1,580	0.03	1,580	1,580	0.03	0.03	Nil	Nil	Nil



Discover the Regional

	Mrs. Priya Singh		50,000	50,000	0.80	50,000	50,000	0.80	0.80	Nil	Nil	Nil
	Mrs. Savitri Singh		70,000	70,000	1.12	70,000	70,000	1.12	1.12	Nil	Nil	Nil
	Mr. Hemantkumar R. Varani		5,260	5,260	0.08	5,260	5,260	0.08	0.08	Nil	Nil	Nil
	Mr. Prakash Chandra Kalita		1,570	1,570	0.02	1,570	1,570	0.02	0.02	Nil	Nil	Nil
	Mr. Utpal Kumar Sarma		3,150	3,150	0.05	3,150	3,150	0.05	0.05	Nil	Nil	Nil
	Stud Farm Infrastructure Private Limited		1,000	1,000	0.01	1,000	1,000	0.01	0.01	Nil	Nil	Nil
(b)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Financial Institutions/ Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Sub-Total (A)(1)</b>	<b>12</b>	<b>46,66,420</b>	<b>46,66,420</b>	<b>74.76</b>	<b>46,66,420</b>	<b>46,66,420</b>	<b>74.76</b>	<b>74.76</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
2	Foreign											

(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Government	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Foreign Portfolio Investor	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f)	Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (A)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>12</b>	<b>46,66,420</b>	<b>46,66,420</b>	<b>74.76</b>	<b>46,66,420</b>	<b>46,66,420</b>	<b>74.76</b>	<b>74.76</b>	Nil	Nil	Nil

\*None of the shares are partly paid up

\*None of the shares are underlying Depository Receipts

\*None of the shares are underlying Outstanding Convertible Securities (including warrants)

\*None of the shares are/have been Pledged



Statement showing Shareholding pattern of Public

	Category & Name of the Shareholder	Nos. of share holders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in equity shares			Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of equity shares held in dematerialized form
						No of Voting Rights				No	As a % of total Shares held	
						Equity shares	Total	Total as % of total voting rights				
1	Institutions											
(a)	Mutual Funds/	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Alternate Investment Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Foreign Venture Capital Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e)	Foreign Portfolio Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f)	Financial Institutions/ Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(g)	Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(h)	Provident Funds/ Pension Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(i)	Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (B)(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	Central Government/ State Government(s)/ President of India	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	Non-institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(a)	Individuals -	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	52	3,00,980	3,00,980	4.82	3,00,980	3,00,980	4.82	4.82	Nil	Nil	Nil
	Others less than 1 %	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	5	5,35,520	5,89,800	9.45	5,89,800	5,89,800	9.45	9.45	Nil	Nil	Nil
	Mr. Yogesh Patel		69,560	69,560	1.11	69,560	69,560	1.11	1.11	Nil	Nil	Nil
	Ms. Alka Marfatiya		54,300	54,300	0.87	54,300	54,300	0.87	0.87	Nil	Nil	Nil
	Mrs. Gunvanti P Udani		54,290	54,290	0.87	54,290	54,290	0.87	0.87	Nil	Nil	Nil

	Mr. Pavar Mahesh Devidas		2,06,910	2,06,910	3.32	2,06,910	2,06,910	3.32	3.32	Nil	Nil	Nil
	Mr. Amit Sharadbhai Joshi		1,50,460	1,50,460	2.41	1,50,460	1,50,460	2.41	2.41	Nil	Nil	Nil
	Others less than 1 %	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	NBFCs registered with RBI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Employee Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Overseas Depositories (holding DRs)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	(balancing figure)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e)	Any Other ( Body Corporate / Entity )	1	6,84,310	6,84,310	10.96	6,84,310	6,84,310	10.96	10.96	Nil	Nil	Nil
	Benett & Coleman Co.		6,84,310	6,84,310	10.96	6,84,310	6,84,310	10.96	10.96	Nil	Nil	Nil
	Hindu Undivided Family (HUF)	1										
	Pravinchandra Udani (Huf)	1	54,280	54,280	0.87	54,280	54,280	0.87	0.87	Nil	Nil	Nil
	Sub-Total (B)(3)	59	15,75,090	15,75,090	25.24	15,75,090	15,75,090	25.24	25.24	Nil	Nil	Nil
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	<b>59</b>	<b>15,75,090</b>	<b>15,75,090</b>	<b>25.24</b>	<b>15,75,090</b>	<b>15,75,090</b>	<b>25.24</b>	<b>25.24</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

\*None of the shares are partly paid up; None of the shares are underlying Depository Receipts; \*None of the shares are underlying Outstanding Convertible Securities (including warrants); \*None of the shares are/have been Pledged

Our Company will file the shareholding pattern of our Company, in the form prescribed under SEBI (LODR) Regulations, 2015, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares.

- a) As on the date of this Draft Prospectus, there are no partly paid-up shares/ outstanding convertible securities/ warrants in our Company.
- b) The details of the holding of securities (including shares, warrants, convertible securities) of persons/entity belonging to the category “Public” and holding more than 1% of the total number of shares.

Except as mentioned below, none of the persons belonging to the category “Public” and holding more than 1% of the total number of Shares;

Sr. No.	Name of the Shareholders	No. of equity shares	As a % of Issued Equity
1.	Mr. Pavar Mahesh Devidas	2,06,910	3.32
2.	Mr. Amit Sharadbhai Joshi	1,50,460	2.41
3.	Mr. Yogesh Patel	69,560	1.11

- c) The details of the holding of securities (including shares, warrants, convertible securities) of persons/entity belonging to the category “Public” and holding more than 5% of the total number of shares:

Except as mentioned below, none of the persons belonging to the category “Public” and holding more than 5% of the total number of Shares;

Sr. No.	Name of the Shareholders	No. of equity shares	As a % of Issued Equity
1.	Benett & Coleman Co.	6,84,310	10.96

- d) There are no equity shares against which depository receipts have been issued.
- e) Other than the equity shares, there are no other class of securities issued by our Company.

**8. The shareholding pattern of our Company showing the aggregate shareholding of Promoters and Promoter Group before and after the Issue is set forth below:**

Sr. No.	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of equity shares	As a % of Issued Equity	No. of equity shares	As a % of Issued Equity
<b>A</b>	<b>Promoters</b>				
1	Mr. Vishwavijay Singh	24,92,220	39.94	24,92,220	29.31
2	Mr. Anandprakash Varani	6,47,930	10.38	6,47,930	7.62
3	Mrs. Purba Kalita	2,00,000	3.20	2,00,000	2.36
	<b>Total (A)</b>	<b>33,40,150</b>	<b>53.52</b>	<b>33,40,150</b>	<b>39.29</b>
<b>B</b>	<b>Promoter Group &amp; Relatives</b>				
1	Mr. Gopal Shukla	6,79,980	10.89	6,79,980	8.00
2	Mrs. Priyanka Singh	5,13,730	8.23	5,13,730	6.04
3	Mrs. Priya Singh	50,000	0.80	50,000	0.59
4	Mrs. Savitri Singh	70,000	1.12	70,000	0.82
5	Mr. Hemantkumar Varani	5,260	0.08	5,260	0.06

6	Ms. Vidhata Varani	1,580	0.02	1,580	0.02
7	Mr. Utpal Kumar Sarma	3,150	0.05	3,150	0.03
8	Mr. Prakash Chandra kalita	1,570	0.02	1,570	0.02
9	Stud Farm Infrastructure Pvt. Ltd.	1,000	0.01	1,000	0.01
	<b>Total (B)</b>	<b>13,26,270</b>	<b>21.22</b>	<b>13,26,270</b>	<b>15.59</b>
<b>C</b>	<b>Other Associates Acting in Concert</b>	-	-	-	-
	<b>Total (C)</b>	-	-	-	-
<b>D</b>	<b>TOTAL (A+B+C)</b>	<b>46,66,420</b>	<b>74.74</b>	<b>46,66,420</b>	<b>54.88</b>

9. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
10. Till date our Company has not made any allotment of Equity Shares pursuant to any scheme approved under section 391- 394 of the Companies Act, 1956 or Section 230-233 of the Companies Act, 2013.
11. 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 Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
12. Our Company has issued Equity Shares during a period of one year preceding the date of this Draft Prospectus at a price lower than the Issue price. The details for the same have been mentioned under “*Share Capital History of the Company*” on page no. 54.
13. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from the date of this Draft 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 the Issue, by way of split/ consolidation of the denomination of Equity Shares or further issue of equity shares (including issue 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.
14. During the past 6 (Six) months immediately preceding the date of this Draft Prospectus, there have been transactions in our equity shares, which have been purchased/ sold/ transferred by our Promoters, their relatives and associates, persons in Promoter Group [as defined under Regulation 2(1)(zb) of SEBI (ICDR) Regulations, 2009] or the directors of the company who are Promoters of the Company and/or the Directors of the Company. The details for the same have been mentioned under “*Share Capital History of the Company*” on page no. 54.
15. The members of the Promoter Group, our Directors or the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the 6 (Six) months preceding the date of this Draft Prospectus .

16. Our Company, our Promoters, our Directors and the Lead Manager to the Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.
17. There are no safety net arrangements for the Issue.
18. An oversubscription to the extent of 10% of the Issue can be retained for the purposes of rounding off to the minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post issue paid-up capital is locked in.
19. In case of over-subscription in all categories the allocation in the Issue shall be in accordance with the requirements of regulation 43(4) of SEBI (ICDR) Regulations, 2009 and its amendments from time to time.
20. Under-subscription, if any, in any portion would be met out of the spillover from other categories at the sole discretion of our Company in consultation with the Lead Manager and the Designated Stock Exchange.
21. As on the date of filing of this Draft 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 Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
23. As per RBI regulations, OCBs are not allowed to participate in the Issue.
24. The Issue is being made through Fixed Price method.
25. **Particulars of top ten shareholders:**

*(a) As on the date of this Draft Prospectus:*

<i>Sr. No.</i>	<i>Name of the Shareholders</i>	<i>No. Of Shares</i>	<i>% of the Pre-Issue Capital</i>
1.	Mr. Vishwavijay Singh	24,92,220	40.00%
2.	M/s. Benett & Coleman Co.	6,84,310	10.96%
3.	Mr. Gopal Shukla	6,79,980	10.89%
4.	Mr. Anandprakash varani	6,47,930	10.38%
5.	Mrs. Priyanka Singh	5,13,730	8.23%
6.	Mr. Pavar Mahesh Devidas	2,06,910	3.32%
7.	Mrs. Purba Kalita	2,00,000	3.20%
8.	Mr. Amit Sharadbhai Joshi	1,50,460	2.41%
9.	Mrs. Savitri Singh	70,000	1.12%
10.	Mr. Yogesh Patel	69,560	1.11%
	<b>Total</b>	<b>57,15,100</b>	<b>91.62%</b>

**(b) 10 days prior to the date of this Draft Prospectus:**

Sr. No.	Name Of The Shareholders	No. Of Shares	% of the Pre-Issue Capital
1.	Mr. Vishwavijay Singh	24,92,220	40.00%
2.	M/s. Benett & Coleman Co.	6,84,310	10.96%
3.	Mr. Gopal Shukla	6,79,980	10.89%
4.	Mr. Anandprakash varani	6,47,930	10.38%
5.	Mrs. Priyanka Singh	5,13,730	8.23%
6.	Mr. Pavar Mahesh Devidas	2,06,910	3.32%
7.	Mrs. Purba Kalita	2,00,000	3.20%
8.	Mr. Amit Sharadbhai Joshi	1,50,460	2.41%
9.	Mrs. Savitri Singh	70,000	1.12%
10.	Mr. Yogesh Patel	69,560	1.11%
	<b>Total</b>	<b>57,15,100</b>	<b>91.62%</b>

**(c) 2 years prior to the date of filing this Draft Prospectus:**

Sr. No.	Name Of The Shareholders	No. Of Shares	% of the Pre-Issue Capital
1.	Mr. Anandprakash varani	1,400	0.02
2.	Mr. Vishwavijay Singh	5,000	0.08
3.	Mrs. Priyanka Singh	1,500	0.02
4.	Mr. Gopal Shukla	1,600	0.03
5.	Mrs. Prajwala Rao	500	Negligible
	<b>Total</b>	<b>10,000</b>	<b>0.16</b>

26. Our Company has not raised any bridge loan against the proceeds of the Issue.
27. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
28. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
29. An Applicant cannot make an application for more than the number of Equity Shares being issued through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
30. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in the Issue.
31. We have 71 shareholders as on the date of filing of this Draft Prospectus.
32. None of the other Promoters and members of our Promoter Group will participate in this Issue.
33. Our Company has not made any public issue since its incorporation.
34. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of this Draft Prospectus
35. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.



36. For the details of transactions by our Company with our Promoter Group, Group Companies during the last financial years i.e. 2017, 2016, and for the 10 months period ended on January 31, 2018 refer to paragraph titled '**Annexure XX: Statement of Related Parties' Transactions**' in the chapter titled 'Restated Financial Statement' beginning on page no. 182 of this Draft Prospectus.
37. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "**Our Management**" beginning on page no. 139 of this Draft Prospectus.
38. None of our Promoters, Promoter Group, Directors and their relatives has entered into any arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of Prospectus.
39. The unsubscribed portion in any reserved category may be added to any other reserved category.
40. The unsubscribed portion, if any after such inter-se adjustments among the reserved categories shall be added back to the net offer to the public portion.
41. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

## SECTION IV – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

This Issue is being undertaken to meet the objects, as set forth herein, and to realize the benefits of listing of our Equity Shares on Stock Exchanges, which in our opinion would enhance our Company's visibility, brand name and enable us to avail of future growth opportunities. The other Objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on BSE SME Platform.

The Net Proceeds from the Issue are proposed to be utilized by our Company for the following objects:

1. Operating Expenditure
2. Customer Acquisition
3. IT Development
4. General Corporate Purpose
5. Brand Building & Promotion
6. Issue Expense

Further, we believe that the listing of our Equity Shares will enhance our visibility and brand name among existing and potential customers.

The Company is into E-commerce Platform which provides various regional products. The main objects of our Memorandum of Association permits us to undertake our existing activities and the activities for which the funds are being raised by us, through the present Issue. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

Our funding requirements are dependent on a number of factors, which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure.

### FUND REQUIREMENTS

We intend to utilize the proceeds of the Fresh Issue, in the manner set forth below:

(Rs. In Lakhs)

Sr. No.	Particulars	Total
1.	Operating Expenditure	542.98
2.	Customer Acquisition	750.00
3.	IT Development	500.00
4.	General Corporate Purpose	509.60
5.	Brand Building & Promotion	20.00
6.	Issue Expense	50.00
	<b>TOTAL</b>	<b>2372.58</b>

The fund requirements mentioned above are based on internal management estimates of our Company and the Lead Manager do not have any opinion on the justification for the same with regards to its exact requirement or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, cost of commodities and interest or exchange rate fluctuations. The figures are relied on the documentary evidences provided by the

Company, upto the extent available. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the issue proceeds as stated above, our Company may re-allocate the issue proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the issue proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

## MEANS OF FINANCE

(Rs. In Lakhs)

Sr. No.	Particulars	Amount
1.	Public Issue Proceeds	2372.58
2.	Internal Accruals	Nil
	<b>Total</b>	<b>2372.58</b>

*We propose to meet the entire requirement of funds for the Objects from the Net Proceeds of the Issue. Accordingly, the requirement under Regulation 4(2)(g) of the SEBI ICDR Regulations of firm arrangements of finance through verifiable means towards 75% of the stated means of finance excluding the amount to be raised through Issue Proceeds or Internal Accruals is not applicable.*

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page 19 of the Draft Prospectus.

## FUNDS DEPLOYED

### Details of funds already deployed till date

(Rs. In Lakhs)

Sr. No.	Particulars	Funds already Deployed	Funds to be Deployed	Total Funds Required
1.	Operating Expenditure	Nil	542.98	542.98
2.	Customer Acquisition	Nil	750.00	750.00
3.	IT Development	Nil	500.00	500.00
4.	General Corporate Purpose	Nil	509.60	509.60
5.	Brand Building & Promotion	Nil	20.00	20.00
6.	Issue Expense	5.50	44.50	50.00
	<b>TOTAL</b>	<b>5.50</b>	<b>2367.08</b>	<b>2372.58</b>

The funds deployed for issue expenses will be recouped from the Issue Proceeds.

### Sources of funds deployed

(Rs. In Lakhs)

Sources of Funds	Source of funds Required	Source of funds Deployed	Source of funds To Be Deployed
By Promoters	Nil	Nil	Nil
Public Issue	2372.58	Nil	2372.58
<b>Total</b>	<b>2372.58</b>	Nil	<b>2372.58</b>

The Management of the Company, in accordance with the policies set up by the Board, will have flexibility in deploying the Net Proceeds of the Issue.

### PROPOSED YEAR-WISE DEPLOYMENT OF FUNDS AND SCHEDULE OF IMPLEMENTATION:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Issue Proceeds is as under:

(Rs. In Lakhs)

Particulars	Total Amount	Already Incurred	Amount to be deploy by 31/3/2019	Amount to be deploy by 31/3/2020	Amount to be deploy by 31/3/2021
Operating Expenditure	542.98	Nil	192.98	350.00	0.00
Customer Acquisition	750.00	Nil	290.00	290.00	170.00
IT Development	500.00	Nil	150.00	150.00	200.00
General Corporate Purpose	509.60	Nil	150.00	200.00	159.60
Brand Building & Promotion	20.00	Nil	20.00	Nil	Nil
Issue Expense	50.00	5.50	44.50	Nil	Nil
<b>Total</b>	<b>2372.58</b>	<b>5.50</b>	<b>847.48</b>	<b>990.00</b>	<b>529.60</b>

The funds deployed for issue expenses will be recouped from the Issue Proceeds.

## DETAILS OF THE REQUIREMENT OF FUNDS

### I. Operating Expenditure

The Company avails majority of its operating expenditure in the ordinary course of its business from its internal accruals. Keeping in mind, the continuous growth of the business and growing demand of upgradation of technology on continuous basis, IT support, maintenance of e-commerce website and customer acquisition, we require additional operating expenditure for financing growth opportunities in the long run.

The operations and operational infrastructure needs to be robust to allow us continuously expand and serve our customers better while enhancing the value of SaleBhai as a brand and creating value for our shareholders. Our operating expenditures include the following:

1. Seller Development & Support: Onboarding a seller and assisting him set up a strong communication channel to dispatch his orders quickly, while meeting the standards of the brand, is an important part of our expenditure. As a pure marketplace, we do not stock any products and therefore, having a robust team of sellers is pertinent to ensure proper packaging and dispatch.
2. Supply Chain Management: For an e-commerce, this is another vital part of its total expenditure. Orders, once packed and ready to ship, have to be picked up on time and transported safely to their destinations. Maintaining a smooth supply chain ensures a healthy turnover to the company.
3. Content Development: As a company that seeks to not only introduce unique as well as authentic regional products, it is important for us to help visitors and customers make informed decisions. Content development forms a core part of our expenditure. From product page description to blog posts that assist buyers to arrive at their purchase point quickly, we invest in maintaining a sophisticated content team.
4. Customer Service & Payments: Customer service forms another essential part of our expenditure and, as an e-commerce brand, so do payment partners and gateways that our customers use to place their orders successfully on our platform. Maintaining both of these sturdy pillars is essential to our business.
5. HR, Office & Admin: Maintaining the office and ensuring a smooth administration is crucial to help us run our business effectively -- and thus this takes up the last head of expenditure.
6. Miscellaneous Salaries: In addition to the above-mentioned expenditure heads, there are also monthly wages that need to be paid to our employees who handle the day-to-day running of our business.

In order to expand the scale of our support and services in correspondence with the growing demand for our various offerings and products, we shall be using a combination of internal accruals and proceeds from IPO.

<b>Operating Expenditure (Amt in lakh Rs.)</b>			
<b>Head of expenditure</b>	<b>31-01-2018</b>	<b>31-03-2019</b>	<b>31-03-2020</b>
Seller Development & Support	14.19	45.17	67.75
Supply Chain Management	23.3	130.06	413.11
Content Development	16.94	88.35	176.71
Customer Service, Payments	4.98	10.01	20.02
Miscellaneous Salaries	7.20	6.00	9.00
HR, Office & Administration	29.99	64.05	143.85
<b>Total expenditure</b>	<b>96.60</b>	<b>343.64</b>	<b>830.44</b>
<i>Expenditure met from Revenue</i>	96.60	150.66	480.44
<b>Net expenditure met through issue proceeds</b>	-	<b>192.98</b>	<b>350.00</b>

## II. Customer Acquisition

India - as of 2017 - already boasts around 500 million internet users - the highest in the world after China. As mentioned earlier, internet penetration continues to rise - and so does the number of online shoppers. Ours is an e-commerce platform that caters to migrant populations across Tier I & II cities, and as migration also continues to be on the rise, our potential customer base is also expanding. Hence, our company will be investing in customer acquisition for quite some years to come.

While customer acquisition forms the largest part of our expenses, we also boast the lowest acquisition cost in the industry. As a company, it makes sense for us to acquire more and more customers and then enthruse them to make repeat purchases, hence reducing the customer acquisition cost further.

Customer Acquisition Annual Budget - 750 Lakh		
Strategies	Budget (in crores)	Budget (in %)
Facebook	225.00	30
Partner sites	112.00	15
Promotional offers	112.00	15
Print media	112.00	15
Other online sites	112.00	15
Google ads	75.00	10
<b>Total budget</b>	<b>750.00</b>	<b>100</b>

Our customer acquisition campaign is allotted an annual budget of Rs.750 Lakh. As a company, we have a manifold strategy we deploy to acquire new customers. Facebook, promotional partners, payment partners, referral programs and promotional offers, Google AdWords, and print & online media. Facebook and partner sites are our most important platforms in this regard.

Being a B2C company that focuses on migrant Indian populations living in Tier I & II cities, the majority of our target audience are on Facebook. Hence we earmark the lion's share of 30% of the aforementioned budget to run our promotions on this social networking site all year long.

Next, we are affiliated with around promotional and coupon partners on whose platforms we run our campaigns to increase our customer base. We regularly tie up with payment partners to come up with attractive offers for their users to shop on SaleBhai. We have allocated 15% of our budget to partner sites.

A similar 15% each is allocated to our new customer acquisition campaigns on print media, other internet sites, and most importantly, in the promotional offers we run on our platform. The remaining 10% of the budget is used in promoting our offers on Google display and text ads.

## III. IT Development

We are a platform powered by IT and thus, any and every change we make on it is IT-driven. So a major part of our expenses goes in maintaining it.

It is a dynamic platform with different components that impact our performance. As technology advances, our platform has to be updated accordingly to stay abreast of the latest developments. There was a time when a lot of manpower and cost went into maintaining physical storage facilities. With cloud storage now, there has been tremendous progress - and all platforms since then have aligned themselves to these changes. As such, a good part of our expenses will go into maintaining and enhancing our platform in tune with the latest updated.

As a B2C ecommerce platform, we have to understand our customers well and constantly keep updating our platform with features to ensure they have a smooth shopping experience. Since our efforts go into maximising our sales per customer, we have to employ IT tools to better implement customised offers for each of our customers.

From desktop sites to mobile sites to Android & iOS apps - the future of technology only holds more advancements in the types of platform in which we can establish our presence. So some part of the budget shall also go into researching and fine-tuning future developments.

Head	Amount (in lacs)
Maintenance & Support	30.00
IT Development	200.00
Platform & Infrastructure	270.00
<b>Total</b>	<b>500.00</b>

IPO proceeds earmarked for IT Development, Maintenance & Infrastructure is 5 Crore. Further, we have our own IT setup and unlike others, we have not outsourced our IT to any third party vendor.

Maintenance & Support involves cost related to maintaining of existing code-base & day to day support activities.

IT Development is for proprietary software development of our e-commerce portal, mobile apps and backend systems. This includes:

- Skilled Manpower
- Development tools such as IDEs & Database License (CPU Based License)
- Productivity & Security Software such as MS Office, Antivirus etc.
- IT Development Training & Skill Enhancement
- Local Development Environment Setup including PCs, UPS, Backup, Leased Line internet etc.
- Outsourcing IT Cost for special projects
- Using Proprietary tools for A/B Testing, Analytics, Web Design etc.
- Developmental cost for third party integrations & its training as well as onboarding cost
- Web & Graphic Design Tools, Themes, Templates etc.

Platform & Infrastructure costs are related to servers, cloud hosting, CDN services, Email & SMS Gateway etc. These include:

- Skilled Manpower
- EC2 Server
- CDN & Other Web & App optimization Services
- Email, SMS, Push - Communication Gateway Services
- Load Balancer, Firewall & Other Server Management Services
- Bandwidth Cost, Network & DB monitoring tools
- Research & Development activities for data mining, machine learning, app development and other upcoming technologies
- Third party consultancy services, marketing tools, support for infrastructure management
- Disaster Recovery, Redundancy, Storage and Backup system



#### **IV. General Corporate Expenses**

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes. We intend to deploy Net Issue proceeds aggregating Rs. 509.60 Lakhs towards the General Corporate Purposes for normal capital expenditure, strategic initiatives, expanding into new geographies, pre-operative expenses and strengthening our marketing capabilities to drive our business growth.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue

#### **V. Brand Building and Promotion**

We plan to broaden our efforts in brand building and awareness both online and offline through marketing and social media campaigns. Accordingly, we plan to use 20.00 lakhs for Brand Building and promotion through various television advertisements, radio promotions, newspaper publishing and social media promotions such as “Anti-Plastic Campaign”, besides promotion of our philosophy and products as well as brand building, SaleBhai also espouses a pro-environment approach. While this is done on the website via organic and eco-friendly products, our social media approach sees a number of posts about the same. Besides these, on our second anniversary, we also launched a campaign called Make Life wEARTH Living – calling our audiences and followers to share their most innovative ideas to tackle pollution and make life on earth worth living.

As a company, we have associated ourselves with the 'Say No to Plastic' movement. We seek to raise awareness about adopting eco-friendly alternatives to plastic with various online and offline campaigns. One of the ways we plan to do so is by promoting non-plastic daily-use products such as water bottles. Every minute, one million plastic bottles are sold across the world. We plan to do our bit to decrease this dismal statistic. Also, we observe September 15 - SaleBhai's anniversary date - as a day to build collective awareness and morale about adopting a greener lifestyle. Going ahead, we have allotted a budget of ₹5 lac for promoting this cause.

Since we are the first brand in the ecommerce industry to cater to migrant communities, we need to penetrate the market by promoting ourselves in non-advertising channels to create awareness in the minds of our potential customers. This will further the message of our brand and inform them about how we are solving a problem without being promotional. And thus to expedite this furthering of our ideologies and ethos in relevant media, we have hired a full-time agency which assists us in propagating our ideas in non-promotional platforms. This major aspect of our brand building is allocated an annual budget of Rs. 15 lac.

We have PR firms in India on retainership and they have been helping us strategically create a distinct brand image in the mind of the audiences. Our focus has been and continues to be manifold in this regard - from attracting interested investors to espousing brand philosophy as well as disseminating expert opinions and ideas pertaining to our industry. In the last 2 years, our news, articles, and mentions have appeared in around 60 leading publications, news sites, and channels.

## VI. Issue Expense

The expenses of this Issue include, among others, underwriting and Issue management fees, Intermediaries fees, printing and stationery expenses, advertisement expenses and legal fees etc. The total estimated expenses are Rs. 50.00 Lakhs which is 2.11 % of Issue Size. The details of Issue expenses are tabulated below:

(Rs. In Lakhs)

Sr. No.	Particulars	Amount	% of the total issue size
1.	Issue management fees including fees and reimbursements of Market Making fees, selling commissions, Underwriting and brokerages.	40.00	80
2.	Regulatory expenses and payment to other intermediaries such as Legal Advisors, Peer Review Auditors, Registrars, Printing, Advertising and other out of pocket expenses.	10.00	20
	<b>Total</b>	<b>50.00</b>	<b>100</b>

### BRIDGE FINANCING FACILITIES

As on the date of this Draft Prospectus, we have currently not raised any bridge loans against the Proceeds of the Issue.

### SHORTFALL OF FUNDS

In case of any shortfall in the proceeds to meet the objects mentioned above, our management may explore a range of options, including utilizing internal accruals or seeking debt or additional equity. In case of surplus funds either due to lower utilization than what is stated above or surplus Net Proceeds after meeting all the above mentioned objects, such surplus shall be utilized towards general corporate purposes. Alternatively, if surplus funds are unavailable or in the event of cost overruns, we expect that a shortfall will be met by way of such means available to our Company including internal accruals and/or appropriate debt or equity arrangements.

### APPRAISAL

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

## **INTERIM USE OF FUNDS**

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Such deposits will be approved by our management from time to time. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

## **MONITORING OF ISSUE PROCEEDS**

As the Net Proceeds of the Issue will be less than Rs. 10,000 Lakhs, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

## **VARIATION IN OBJECTS**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

## **OTHER CONFIRMATIONS**

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Entities, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoter, our Directors or key managerial personnel or our Group Entities, except as stated in the object of the Issue and in the normal course of business and in compliance with the applicable laws.

## BASIC TERMS OF THE ISSUE

*The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

For details in relation to Issue expenses, see the chapter titled “Objects of the Issue” and “Other Regulatory and Statutory Disclosures” beginning on pages nos. 79 and 199, respectively.

### ***Authority for the Issue***

The present Public Issue of 22,59,600 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on March 06, 2018 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on March 28, 2018 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

### ***Ranking of Equity Shares***

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including 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 section titled “***Main Provisions of Articles of Association of the Company***” beginning on page no. 282 of this Draft Prospectus.

### ***Mode of Payment of Dividend***

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled “***Dividend Policy***” on page no. 164 of this Draft Prospectus.

### ***Face Value and Issue Price***

The Equity Shares having a Face Value of Rs.10.00 each are being offered in terms of this Draft Prospectus at the price of Rs.105/-per equity Share (including premium of Rs.95/-per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “***Basis for Issue Price***” beginning on page no. 93 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

**Compliance with the disclosure and accounting norms**

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

**Minimum Application Value, Market Lot and Trading Lot**

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated [●] between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated [●] between CDSL, our Company and Registrar to the Issue; and

The trading of the Equity Shares will happen in the minimum contract size of 1,200 Equity Shares and the same may be modified by the SME platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 1,200 Equity Shares and is subject to a minimum allotment of 1,200 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

*Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.*

**Minimum Number of Allottees**

The minimum number of allottees in the Issue shall be 50 shareholders. In case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

**Period of Operation of Subscription List of Public Issue**

ISSUE OPENS ON	[●]
ISSUE CLOSES ON	[●]

**Underwriting and Minimum Subscription**

*In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the Draft Prospectus and shall not be restricted to the minimum subscription level.*

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 issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (sixty) days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 (eight) days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under Section 39 read with Rule 11 of

Companies(Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 and other applicable laws, if any.

In accordance with Regulation [106R] of SEBI ICDR Regulations, The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

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, in accordance with Regulation 106( R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).*

*Further, in accordance with Regulation 106 Q of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.*

#### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of 1,200 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 Exchange.

#### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the chapter titled “Capital Structure” beginning on page no.54 of this Draft Prospectus and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details please refer section titled "Main Provisions of the Articles of Association" beginning on page no. 282 of this Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

#### **Option to receive Equity Shares in Dematerialized Form**

As per section 29(1) of the new Companies Act 2013, every company making public offer shall issue securities only in dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange.

### **Migration to Main Board**

Our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above Rs.25 Crore by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its main board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the main board or
- If the Paid-Up Capital of our Company is more than Rs.10.00 Crore and up to RS.25.00 Crore, our company may still apply for migration to the Main Board. If our Company fulfils the eligibility criteria for listing laid down by the Main Board of BSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares offered through this Issue are proposed to be listed on the SME platform of BSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of BSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to "General Information - Details of the Market Making Arrangements" for this Issue on page No. 52 of this Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

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

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.



In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

### ***New Financial Instruments***

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

### ***Pre-Issue Advertisement***

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the ROC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

### ***Jurisdiction***

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Ahmedabad, Gujarat, 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, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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

## BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10 and Issue Price is Rs.105/-per Equity Share and is 10.5 times the face value.

The financial data presented in this section are based on our Company's restated financial statements. Investors should also refer to the sections titled '**Risk Factors**' and '**Financial Statements**' on page no. 19 and 167, respectively, of this Draft Prospectus to get a more informed view before making the investment decision.

### QUALITATIVE FACTORS

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

- Experienced promoters and Management Expertise;
- Consumer Facing Concern;
- High brand and Product Awareness ; and
- Networking strength

For details of Qualitative factors please refer to the paragraph '**Our Competitive Strengths**' in the chapter titled '**Business Overview**' beginning on page no. 114 of this Draft Prospectus.

### QUANTITATIVE FACTORS

The information presented in this section relating to the Company is based on the restated financial statements of the Company for the period ended January 31, 2018 and for the Financial Year 2016-17 and 2015-16 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic & Diluted Earnings Per Share (EPS):

Period	Basic and Diluted EPS (In Rs.)	Weights
Fiscal 2017	(68.25)	2
Fiscal 2016	(1,111.92)	1
<b>Weighted Average</b>	<b>(416.14)</b>	
<b>10 Months ended on January 31, 2018</b>	<b>(29.72)</b>	

#### Notes:

- (i) The figures disclosed above are based on the restated financial statements of the Company.
- (ii) The face value of each Equity Share is Rs. 10.00.
- (iii) Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
- (iv) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV on page no.175.

2. **Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 105/-:**

Particulars	P/E at the Issue Price of Rs. 105/-:
Based on the Basic and Diluted EPS of Rs.(68.25), as per restated financial statements for the year ended March 31, 2017	N.A.*
Based on the Basic and Diluted EPS of Rs. (1,111.92), as per restated financial statements for the year ended March 31, 2016	N.A.*
Based on the weighted average EPS of Rs.(416.14), as per restated financial statements	N.A.*
<b>Industry PE</b>	
Highest	
Lowest	
Industry Composite PE	

\*The company has negative EPS during the FY 2016 and 2017 and hence PE Ratio cannot be determined.

3. **Return on Net Worth#:**

Period	Return on Net Worth (%)	Weights
Year ended March 31, 2017	(172.01)	2
Year ended March 31, 2016	(100.91)	1
<b>Weighted Average</b>	<b>(148.31)</b>	
<b>10 Months ended on January 31, 2018</b>	<b>(26.19)</b>	

#Restated Profit after Tax/Net Worth

4. **Minimum Return on increased Net Worth required to maintain Pre-Issue EPS**

- a) Based on Basic and Diluted EPS, as adjusted of FY 2016-17 of Rs. .(1,111.92) at the Issue Price of Rs. 105/-: N.A. on the restated financial statements.
  - Based on Weighted Average Basic and Diluted EPS, as adjusted of Rs.(68.25) at the Issue Price of Rs. 105/-: N.A. on the restated financial statements.

5. **Net Asset Value (NAV) per Equity Share:**

Particulars	Amt. (in Rs.)
As on January 31, 2018	97.93
As on March 31, 2017	(31.93)
As on March 31, 2016	(1101.92)

#### 6. Comparison of Accounting Ratios with Industry Peers:

Sr. No.	Particulars	Face Value	EPS 31/3/17	P/E 17/05/18	RONW	NAV 31/3/17	CMP 17/05/18
		(In Rs.)	(In Rs.)	Ratio	(%)	(In Rs.)	
1	Infibeam Incorporation Limited	1	0.03	8255.00	0.02	14.94	165.10
2	Salebhai Internet Limited	10	(68.25)	-	(172.01)	(31.93)	105.00

**Note:** Since there are no listed peers available with the same line of business, the nearest listed peers matching with the business models of our Company has been considered and disclosed for the Investors to take better investment decisions.

- 1) Based on March 31, 2017 financial statements as reported to BSE & NSE
- 2) Based on March 31, 2017 restated financial statement.
- 3) Basic & Diluted Earnings per share (EPS), as adjusted
- 4) Price Earning (P/E) Ratio in relation to the Issue Price of Rs. 105/-

7. **The face value of Equity Shares of our Company is Rs. 10 per Equity Share and the Issue Price of Rs. 105/- per Equity Share is 10.5 times the face value.**

The Issue Price of Rs. 105/- is determined by our Company in consultation with the Lead Manager and is justified based on the above accounting ratios. For further details, please refer to the section titled '**Risk Factors**', and chapters titled '**Business Overview**' and '**Restated Financial Statement**' beginning on page no.19, 114 and 167, respectively of this Draft Prospectus.

*Investors should read the above mentioned information along with section titled "Our Business", "Risk Factors" and "Financial Information of the Company" beginning on page no. 114, page no.19 and page no. 167 respectively including important profitability and return ratios, as set out in "Annexure IV – Note no. - 28" to the Financial Information of the Company on page no 167 of the Draft Prospectus to have a more informed view.*

**STATEMENT OF TAX BENEFITS**

To,  
The Board of Directors,  
SALEBHAI INTERNET LIMITED  
Ahmedabad, Gujarat.

Dear Sirs,

**Sub: Statement of possible special tax benefits available to the Company and its shareholders on proposed Public Issue of Shares under the existing tax laws**

We hereby confirm that the enclosed annexure, prepared by the Management of SALEBHAI INTERNET LIMITED ('the Company'), states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not fulfill.

The benefits discussed in the enclosed annexure covers only special tax benefits available to the Company & the Shareholders and does not include any general tax benefits available to the Company and the Shareholders. Further, the preparation of enclosed annexure 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 Issue") by the Company.

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

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

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

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 SALEBHAI INTERNET LIMITED 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.

**For S. D. Mota & Associates**  
**Chartered Accountants**  
**Firm No. 119681W**

**(Sanjay D. Motta)**  
**Proprietor**  
**Mem. No.107688**

**Place – Dombivali**  
**Date – 09/05/2018**

## **ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO SALEBHAI INTERNET LIMITED AND ITS SHAREHOLDERS**

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

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

### **A. SPECIAL TAX BENEFITS TO THE COMPANY: - NIL**

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER: - NIL**

#### **Notes:**

All the above benefits are as per the provisions of the Income-tax Act, 1961, Income-tax Rules, circulars and notifications as amended by Finance Act, 2015 presently in force in India. They shall be available only to the sole/ first named holder in case the shares are held by the joint holders.

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

In view of the individual nature of tax consequences, each investor is advised to consult his/ her own tax advisor with respect to specific tax consequences of his/ her participation in the IPO.

The above Statement of Special Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

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

## SECTION V – ABOUT THE ISSUER COMPANY

### INDUSTRY OVERVIEW

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

#### **Global Economic Scenario**

After exceeding expectations in 2017, the global economy is projected to carry forward its current momentum to generate a 3 percent growth rate in 2018. While the growth path of mature markets will remain solid in the short term, potential for much faster growth is limited, and a growth slowdown is likely to set in later in the decade. As some major emerging markets are maturing themselves, especially China, they are unlikely to return to growth trends of the past. The good news is that a larger role for qualitative growth factors an improvement in labour force skills, digitization, and especially stronger productivity growth may help sustain growth and provide better conditions for businesses to thrive over the next decade.

In 2018, the economies of emerging Asia are expected to grow at 4.9 percent -- a slight improvement over 2017. While the region's growth rate is likely to slow in the medium term, it will still perform better than the global emerging market average. Deceleration in China's economic growth, Southeast Asia's exposure to rising anti globalization sentiment in the West, and challenges fully translating a demographic dividend in India into productive human capital are significant impediments to the region's growth potential.

*(Source: [www.conference-board.org/economic-outlook-2018](http://www.conference-board.org/economic-outlook-2018))*

In most other major advanced economies, growth is projected to continue around the current modest path. In the United Kingdom, the pace of expansion in 2016 was lower than in previous years, despite support from resilient household spending, actions by the Bank of England and adjustment to the fiscal stance following the Brexit vote. UK growth is expected to ease further as rising inflation weighs on real incomes and consumption, and business investment weakens amidst uncertainty about the United Kingdom's future trading relations with its partners. In Japan, data revisions show a somewhat more positive picture of recent growth outcomes. Industrial production and exports have strengthened, helped by the depreciation of the yen, but consumption spending remains subdued. The fiscal easing will help GDP growth pick up to 1.2% this year but, with consolidation set to resume in 2018, growth prospects will depend on the extent to which wage growth picks up from its current low rate. Growth in Canada is expected to increase, supported by fiscal initiatives, export-market growth and the slowdown in commodity-related investment bottoming out.

A stronger growth environment would enhance resilience, but may not suffice to tackle all financial vulnerabilities. Countries also need to have robust early warning systems, engage in active supervision and use macro prudential instruments appropriately, including setting limits on mortgage loan-to-value and debt-service-to-income ratios. The resilience of housing markets can be improved by addressing tax biases in favour of debt-financed home ownership and unnecessary obstacles to housing supply. Faced with market volatility and mismatches, emerging market economies should ensure that they have a credible policy framework and maintain open and transparent capital markets.

*(Source: [www.oecd.org/eco/outlook/Will-risks-derail-the-modest-recovery-OECD-Interim-Economic-Outlook-March-2017](http://www.oecd.org/eco/outlook/Will-risks-derail-the-modest-recovery-OECD-Interim-Economic-Outlook-March-2017))*



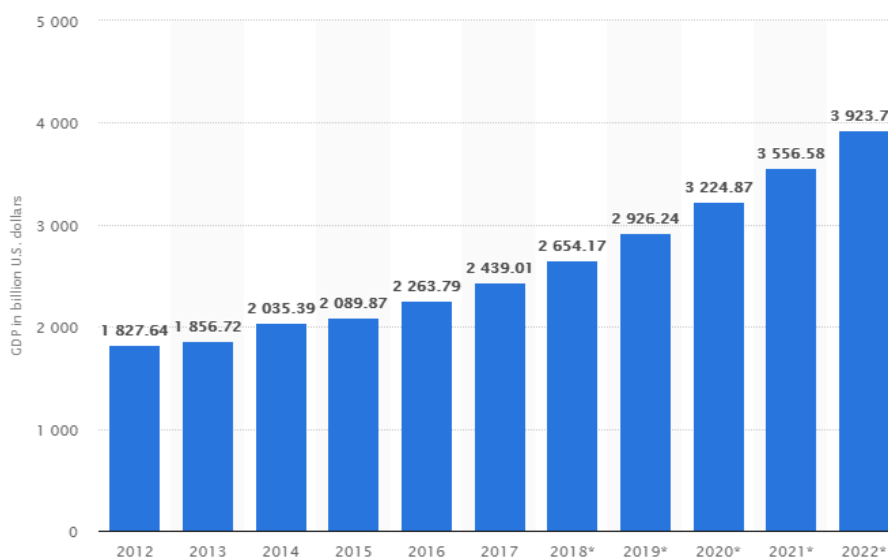
### Indian Economic Scenario

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP increased 7.1 per cent in 2016-17 and is expected to reach a growth rate of 7 per cent by September 2018. India's gross domestic product (GDP) grew by 6.3 per cent in July-September 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by over 20 per cent in FY 2017-18 supported by normalisation of profits, especially in sectors like automobiles and banks, according to Bloomberg consensus. India has retained its position as the third largest start-up base in the world with over 4,750 technology start-ups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM. India's foreign exchange reserves were US\$ 404.92 billion in the week up to December 22, 2017, according to data from the RBI.

With the improvement in the economic scenario, there have been various investments in various sectors of the economy. The M&A activity in India increased 53.3 per cent to US\$ 77.6 billion in 2017 while private equity (PE) deals reached US\$ 24.4 billion. India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms. India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

(Source :[www.ibef.org/economy/indian-economy-overview](http://www.ibef.org/economy/indian-economy-overview))

### India: Gross domestic product (GDP) in current prices from 2012 to 2022 (in billion U.S. dollars)



(Sources :[www.statista.com/statistics/263771/gross-domestic-product-gdp-in-india](http://www.statista.com/statistics/263771/gross-domestic-product-gdp-in-india))

### Global E-Commerce Industry

The origins of ecommerce date back to the late 1990s. With increased internet usage, many businesses saw the benefits of selling directly to consumers over the web. Two things happened in the mid-1990 to make this kind of e-commerce a possibility. First, computer security was strengthened enough to make consumers and businesses feel comfortable with conducting these types of transactions online. Second, the average person began to gain familiarity with the web and started using it for everyday activities such as online shopping. Combined with the fact that web design was improving and the speed of the Internet was increasing, e-

commerce had a platform for development. In 1995, Amazon.com was launched and we really started seeing the type of e-commerce that we're used to today.

(Source: [history-and-evolution-of-e-commerce.html](http://history-and-evolution-of-e-commerce.html))

Ecommerce growth is rapidly increasing: online sales predicted by some analysts to grow approximately 10% in 2015 over 2014 levels. The estimated \$279 billion worth of ecommerce sales in 2015 compares to 2010 sales of \$176 billion. Online sales as a percentage of all retail sales, projected at a range of 9-11% for 2015, still leave the industry significant room for market-share driven growth.

(Source: <https://www.bigcommerce.com/ecommerce-answers/what-is-b2c-ecommerce-the-online-shopping-boom-explained/>)

E-commerce (electronic commerce or EC) is the buying and selling of goods and services, or the transmitting of funds or data, over an electronic network, primarily the internet. These business transactions occur either as business-to-business, business-to-consumer, consumer-to-consumer or consumer-to-business. The terms e-commerce and e-business are often used interchangeably. The term e-tail is also sometimes used in reference to transactional processes for online shopping.



The ecommerce market is composed of the following market segments:

- ✓ Fashion
- ✓ Electronics & Media
- ✓ Food & Personal Care
- ✓ Furniture & Appliances
- ✓ Toys, Hobby & DIY

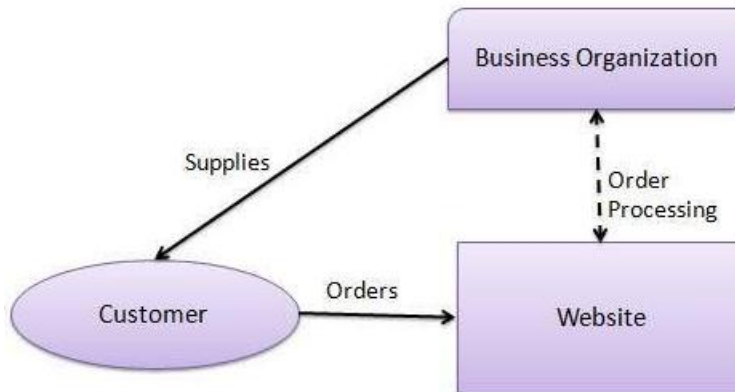
E-commerce business models can generally be categorized into the following categories:-

- ✓ Business - to - Business (B2B)
- ✓ Business - to - Consumer (B2C)
- ✓ Consumer - to - Consumer (C2C)

- ✓ Consumer - to - Business (C2B)
- ✓ Business - to - Government (B2G)
- ✓ Government - to - Business (G2B)
- ✓ Government - to - Citizen (G2C)

- **Business - to - Consumer (B2C)**

In B2C model, a business website is a place where all the transactions take place directly between a business organization and a consumer.



In the B2C model, a consumer goes to the website, selects a catalogue, orders the catalogue, and an email is sent to the business organization. After receiving the order, goods are dispatched to the customer. Following are the key features of the B2C model:-

- ✓ Heavy advertising required to attract customers.
- ✓ High investments in terms of hardware/software.
- ✓ Support or good customer care service.

***B2c Ecommerce Is Experiencing Rapid Growth***

Ecommerce simplifies the shopping experience for both consumers and vendors. Successful online stores can be launched in a matter of days, while shoppers appreciate the ease of making important purchases from the comfort of their own home.

Global B2C e-commerce sales reached 1.2 trillion dollars in 2013, of which 29.7 percent were generated by the United States. The US share of global e-commerce has been slowly but steadily decreasing, whereas China’s share has skyrocketed, nearly tripling between 2010 and 2012, demonstrating the broader economic trend of power shifting away from the United States. As a result of the spread of the internet and digital payments, the number of digital buyers is also growing and was expected to increase to over 1 billion people by the end of 2013, nearly one-seventh of the world’s population.

Although B2C e-commerce is often used synonymously with online shopping or online retail, it also spans growing categories such as paid online services or paid content. Amazon, one of the world’s largest online retailers with about 237 million customer accounts as of the end of 2014, has branched into both services (with its cloud computing and storage) and paid content (such as its app store and digital media), making it a formidable force in e-commerce. Amazon also provides third-party sellers with a platform through which other businesses and individuals can reach customers.

(Source: [http://raccordtechnologies.com/digital\\_commerce.php](http://raccordtechnologies.com/digital_commerce.php))

### ***Highlights of worldwide e-commerce business***

- ✓ Revenue in the "ecommerce" market amounts to US\$1,728,675m in 2018.
- ✓ Revenue is expected to show an annual growth rate (CAGR 2018-2022) of 9.8 % resulting in a market volume US\$2,508,160m in 2022.
- ✓ The market's largest segment is the segment "Fashion" with a market volume of US\$481,162m in 2018.
- ✓ User penetration is at 37.4 % in 2018 and is expected to hit 48.0 % in 2022.
- ✓ The average revenue per user (ARPU) currently amounts to US\$900.94.

Global retail e-commerce market is expected to witness a high growth on account of favourable attitude towards new shopping channels. The overall market is projected to grow at an approximate CAGR of 10% from 2016 to 2024. Retail e-commerce allows consumers to buy goods from the seller over the internet. Customers can find their interested products by visiting the website. Most online retailers use shopping cart software. Payment and delivery information are collected using a check out process. Convenience is the major factor driving the overall online shopping market growth. It is easier to navigate through various product categories with the help of search system.

Consumers are finding it difficult to visit retail stores during their hectic schedule. E-commerce shopping allows consumers to shop sitting in an office or at home and operate for 24 hours. Also, product delivery is made door-step which eradicates the transportation trouble. Trends have shown that products available online are low in price as compared to retail stores. Moreover, customers are given discounts and bundling offers which propel the product sales. These features have attracted huge consumers group towards online shopping. The other main reasons expected to drive the online purchase is discounts, offers and cash-on-delivery facility provided by the online retailers. Online retail has made viewers more aware of the product.

Customers can see product specifications and compare them with their alternatives. The increase in computer speeds helps in navigation through various catalogs with ease. Rise in mobile phone usage has fostered the global industry growth in recent years. Another factor which has seemed to be useful in market growth is the review system. Retail e-commerce has the provision to write reviews on the product which helps in decision making for other consumers. Some manufacturers are launching their products only through the online retail medium. This sales channel type is effective in reducing operational costs. It also helps in avoiding inventory to avoid stock out as in the case of a retail store.

Such strategies are probing the customers to buy products over the internet on account of the physical retail market absence. The traditional purchase pattern existence is expected to establish as a barrier to the global industry growth over the forecast period. Some consumers believe in product purchase after having its touch and feel. Retail e-commerce industry has been witnessing fraud through the counterfeit goods delivery. In addition, online monetary transactions have given an opportunity to hackers to break into the website and get consumer information. Such factors are expected to restrain the global market demand in near future. After sales service is a challenge for this sales channel type. Physical stores are capable of providing spare parts and conduct repairs in case of product malfunctioning.

Urbanization and smart cities development have contributed to changing lifestyle. Consumers in such regions are changing their shopping pattern from traditional type to the online base. Segmentation is done on the basis of products purchased which include groceries, apparels, footwear, jewellery, furniture, and electronic goods. Cellular devices consumption has taken an exponential rise on account of exclusive sales through these channels. Asian manufacturers including Lenovo, Motorola, Xiaomi, and One Plus have been selling their products exclusively over the internet. North America dominated the global market, and the trend is expected to remain the same over the forecast period.

This growth is on account of purchase pattern change, secured internet transactions and increasing consumer awareness. Regional demand was followed by Europe owing to high-speed internet facilities coupled with the

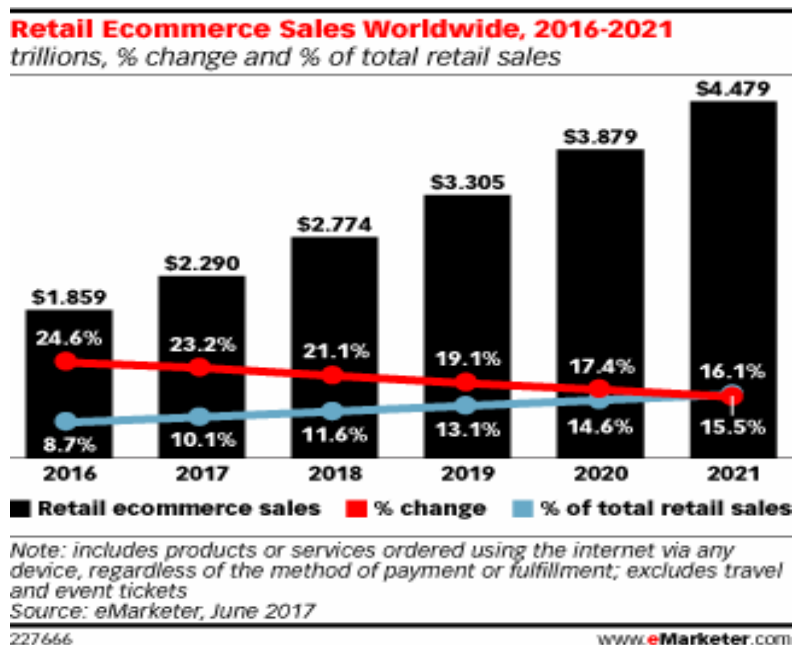
well-established supply chain for goods delivery. Asia-Pacific is expected to witness a rapid growth over the forecast period on account of increasing mobile internet usage and tendency to adopt Western culture. India is projected to show steady growth, however well spread physical store presence provides a huge challenge. South America and Africa are expected to show a slow growth owing to lack of internet facilities and developing internet banking service. Key players in the global market include eBay, Amazon, Alibaba, and Flipkart.

Companies have started services catering to niche products only including the Blue Nile offering jewellery products. Strengthening the value chain is of vital importance for efficient goods delivery to the customer. Major players have collaborated with third party vendors for logistic services. Leading organizations have partnered closely with their suppliers for continuous development in work conditions. Merger and acquisition are another common trends observed in this industry. As of 2014, eBay had acquired around 40 companies. Most of the organizations concentrate on after-sales services by establishing customer support in emerging economy such as India, and the Philippines.

(Source: [www.grandviewresearch.com/industry-analysis/retail-e-commerce-market](http://www.grandviewresearch.com/industry-analysis/retail-e-commerce-market))

Retail ecommerce sales worldwide will continue to post solid gains in 2017, rising 23.2% to \$2.290 trillion. This year, for the first time, ecommerce sales will account for one-tenth of total retail sales worldwide.

The Estimates for worldwide retail sales throughout the 2016–2021 forecast period, mainly due to the other currencies’ weak exchange rates relative to the US dollar. Retail sales will grow 5.8% this year, reaching \$22.737 trillion, largely driven by sales in China. Retail ecommerce sales worldwide will increase at four times the rate of retail sales this year, jumping 23.2% to \$2.290 trillion. Ecommerce sales growth will stay in the double digits throughout the forecast period. China and the US will combine for \$1.584 trillion in ecommerce sales this year, representing 69.1% of global ecommerce. In 2017, mobile commerce will account for more than 70% of ecommerce sales in both China and India, and 59.0% in South Korea. In Germany, the UK and US, mcommerce will comprise at least one-third of total retail ecommerce sales.

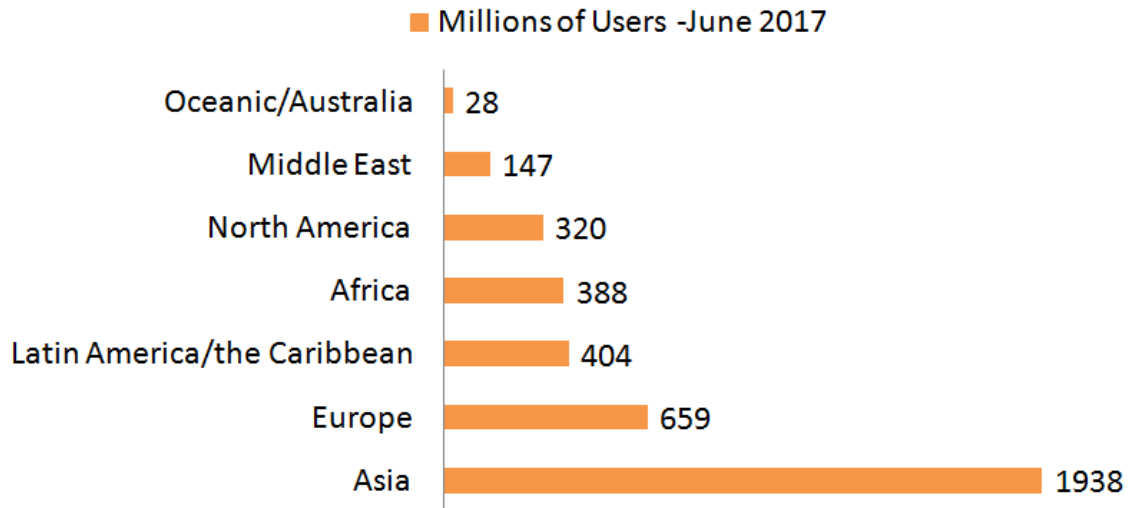


(Source : [www.emarketer.com/topics](http://www.emarketer.com/topics))

With about 51% of the world’s population having access to the net (as on June 2017), the online retail sale witnesses a new high every day. Online marketing has been in practice since early 1980s, however the term digital marketing was coined around 1990s. It was in 2000s and 2010s that this segment was channeled to make

it more organised. What seemed to be only a growing trend till about 2012-13 became larger than life in the following years.

### Millions of Users -June 2017

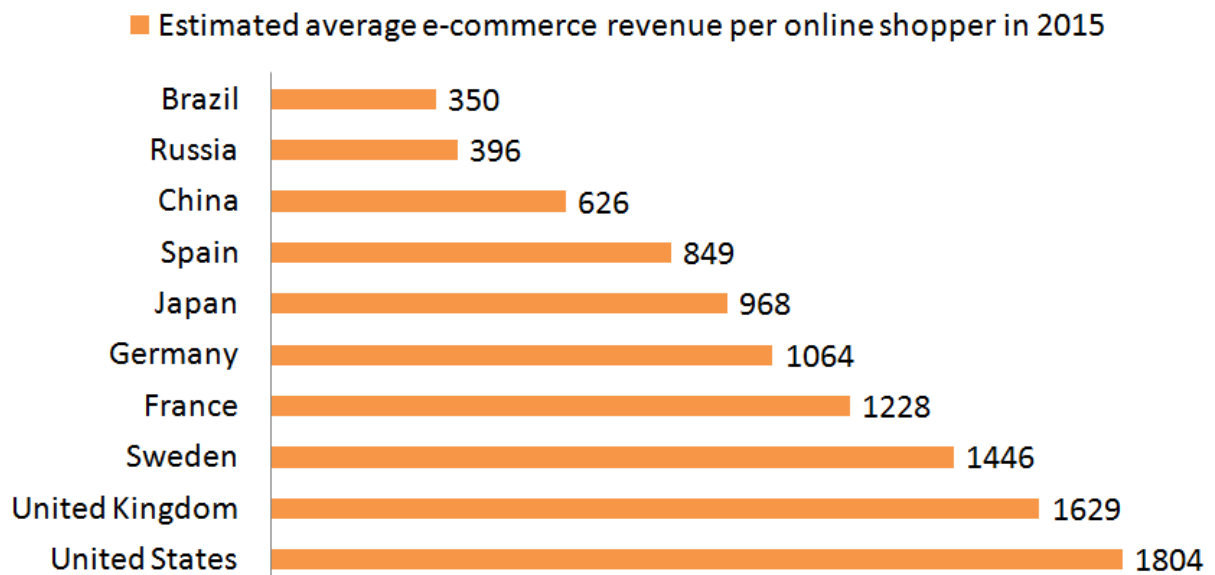


(Source : Internet World Stats, Miniwatts Marketing Group, 2017)

Online shopping is also referred to as electronic retail aka e-tailing or electronic shopping aka e-shopping. And the many stores online are also known as e-web-store, e-shop, e-store, Internet shop, web-shop, web-store, online store, online storefront, and virtual store. It is not a secret that online marketplaces have eroded conventional businesses.

(Source : Wikipedia)

### Online shopping spending around the world



(Source : Statista Digital Market Outlook)

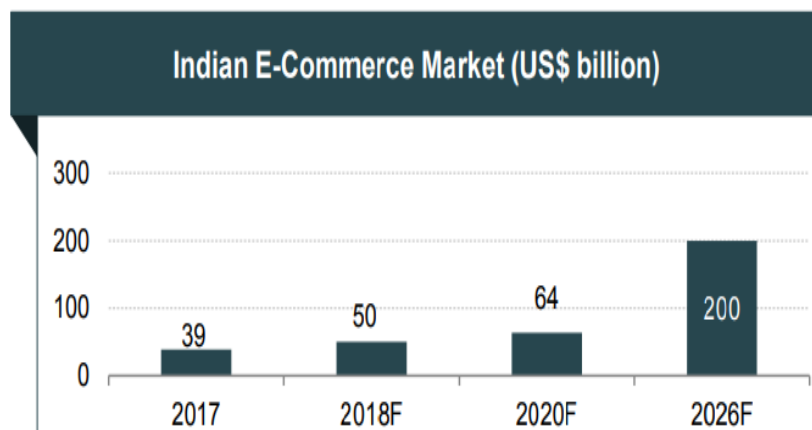
The biggest retailer of electronics in the U.S. – Best Buy – recorded a quarterly dip in sale due to a massive conversion to online shopping. In China 242 million people were shopping online in 2012. Ecommerce is reported to be steadily growing by about 23% every year. Both men and women spend about five hours every week on the virtual marketplace.



### **Indian E-Commerce Industry**

The e-commerce has transformed the way business is done in India. The Indian e-commerce market is expected to grow to US\$ 200 billion by 2026 from US\$ 38.5 billion as of 2017. The value of e-commerce market is expected to cross US\$ 50 billion by 2018. Much growth of the industry has been triggered by increasing internet and Smartphone penetration. The ongoing digital transformation in the country is expected to increase India's total internet user base to 829 million by 2021 (59 per cent of total population), from 373 million (28 per cent of population) in 2016, while total number of networked devices in the country are expected to grow to two billion by 2021, from 1.4 billion in 2016.

Total online spending, inclusive of domestic and cross border shopping, is expected to increase by 31 per cent year-on-year to Rs 8.76 trillion (US\$ 135.8 billion) by 2018. Cross border shopping by Indians touched Rs 58,370 crore (US\$ 9.1 billion) in 2016, and is expected to be 85 per cent year-on-year in 2017. The top 3 countries preferred by Indians for cross-border shopping in 2016 were USA (14%), UK (6%) and China (5%). The internet industry in India is likely to double to reach US\$ 250 billion by 2020, growing to 7.5 per cent of Gross Domestic Product (GDP), with the number of mobile internet users growing to about 650 million and that of high-speed internet users reaching 550 million. About 70 per cent of the total automobile sales in India, worth US\$ 40 billion, are expected to be digitally influenced by 2020 as against US\$ 18 billion in 2016.



### **Factors Driving E-Commerce Growth**

#### **Internet content in local languages:**

- Web content search in Hindi grew by 155 per cent in 2015 whereas that through mobile internet grew by 300 per cent in the same period.
- In a move to grab the opportunity, Snapdeal and Make My Trip had launched their apps in Hindi and a few other vernacular languages in 2014.
- Online retailers see this emergent segment as a new growth driver as the incremental growth in mobile subscribers can be credited mainly to people who are comfortable with languages other than English.

#### **Growth in non-metro cities:**

- Consumer demand can be seen increasing even in small towns and cities. Less densely populated regions generated a larger proportion of online sales.
- Nearly 60 per cent of Snapdeal's purchases came from cities classified as tier II and III.
- Flipkart also noted that "sales of branded products across categories saw a sharp increase, as more of tier 2 and tier 3 Indian towns took to shopping online.

### **Mobile Commerce:**

- Online retailers' growing reach in town and cities beyond metros is driven by an increasing in usage of mobile internet in the country. Increased ownership of smartphones is helping more Indians access shopping websites easily.
- Rise in Smartphone usage is expected to reach 50 per cent penetration by 2020.

### **Cashless Transactions:**

- A net addition of nearly 140 million debit cards has been recorded in the country in the past few years. Usage of debit cards at points of sale terminal has increased by 86 per cent during the same period. This clearly reflects that people are getting comfortable with using debit cards for activities other than withdrawals at ATM.
- Many online retailers insist use of debit cards for high value transactions, this is however a welcome change. This will help e-tailers to increase their reach.
- Digital payments will act as a game changer for the domestic e-commerce business and the current trend of dominance of Cash-on-delivery would be reversed in the next five years, as per Mr Sachin Bansal, Executive Chairman, Flipkart

### **Growth of logistics and warehouses:**

- Online retailers now deliver to "12,500-15,000 pin codes" out of nearly 100,000 pin codes in the country.
- With logistics and warehouses attracting an estimated investment of nearly US\$2 billion by 2020, the reach of online retailers to remote locations is set to increase.

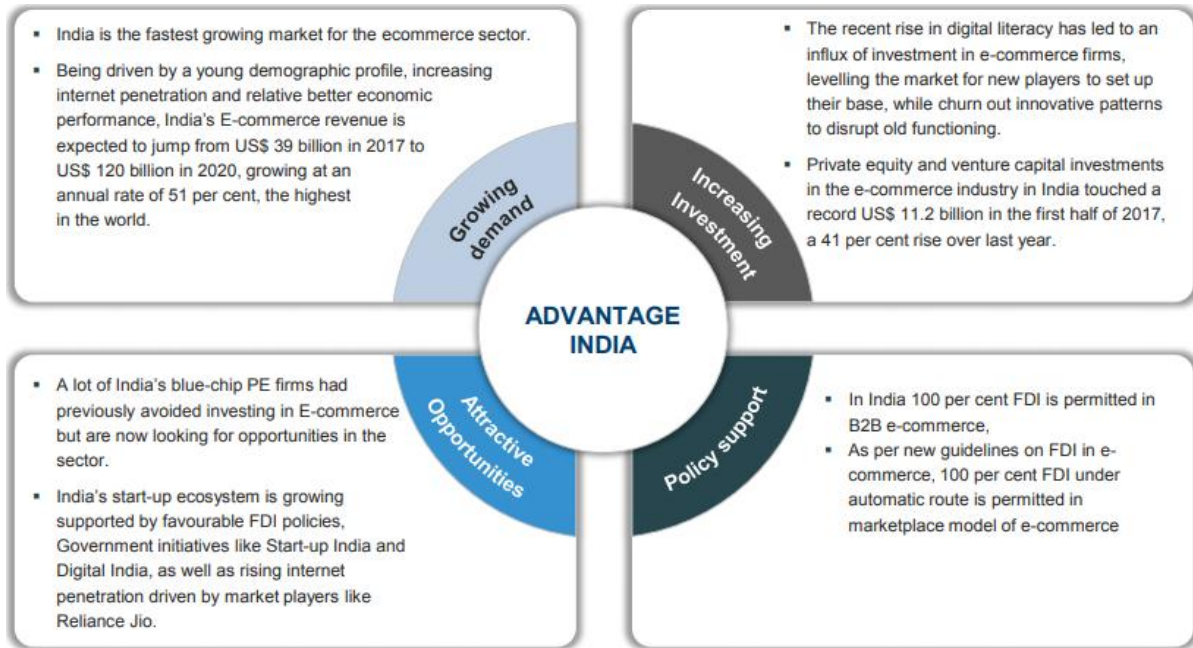
### **B2B ecommerce:**

- Amazon has launched an online Business-to-Business (B2B) market place in India where small and medium enterprises (SMEs) can buy products.
- Metro Cash and Carry, Germany-based, B2B retail store chain, is planning to start e-commerce solutions for its B2B business in India by the end of 2017.
- Power2SME, one of the largest B2B online marketplaces in India that provides raw materials to small and medium enterprises (SMEs), has raised US\$ 36 million from Inventus Capital, Accel Partners and others in September 2017, which will be used towards technology, sales, marketing and geographic expansion.

### **Increasing Investments:**

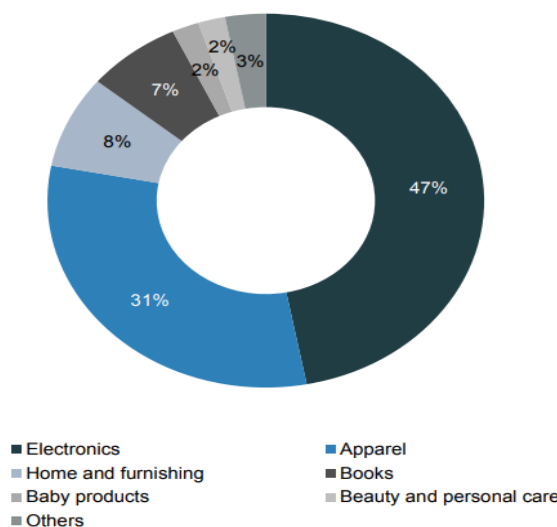
- US-based ecommerce giant, Amazon, has invested about US\$ 1 billion in its Indian arm so far in 2017, taking its total investment in its business in India to US\$ 2.7 billion.
- Chinese phone manufacturer, Xiaomi Corporation, is planning to invest about US\$ 1 billion in 100 Indian start-ups over the coming five years, with an aim to make an ecosystem of apps surrounding its Smartphone brand.





Internet penetration in India grew from just 4 per cent in 2007 to 34.08 per cent in 2016, registering a direct increase of 89 per cent in 2016 over 2007. Urban India with an estimated population of 444 million already has 269 million (60 per cent) using the Internet. Rural India, with an estimated population of 906 million as per 2011 census, has only 163 million (17 per cent) Internet users. There is therefore a great opportunity for increasing penetration in the rural areas. Analysis of 'Daily Users' reveal that both in Urban and Rural India, the younger generations are the most prolific users of internet. Rising internet penetration is expected to drive ecommerce growth in India. In addition, the rapid increase in the number of mobile user with internet access via affordable broadband solutions and mobile data has been a key factor in driving the growth of India's e-commerce sector. Reports stats that smartphone penetration is expected to reach 700 million by 2020. The launch of 4G networks and increasing consumer wealth has further doubled the number of mobile users. Mobile platforms have emerged as a major gateway for customer purchases as smartphones are increasingly replacing PCs for online shopping. Currently, 65 percent of the online shoppers use mobile to do so. This has driven the growth of e-tailing business in India and the Indian e-commerce market is more likely to grow to US\$ 200 billion by 2026 from US\$ 38.5 billion as of 2017.

**E-Commerce Retail Market**



The online retail market in India is estimated to be worth US\$ 17.8 billion in terms of gross merchandise value (GMV) as of 2017 and is estimated to increase by 60 per cent to US\$ 28-30 billion in 2018. Electronics is currently the largest segment in e-commerce in India with a share of 47 per cent and is expected to grow at a CAGR of 43 per cent by 2020. The apparel segment has the second highest share of 31 per cent in the e-commerce retail industry. Currently, there are 1-1.2 million transactions per day in e-commerce retailing.

### **Government Initiatives In E-Commerce**

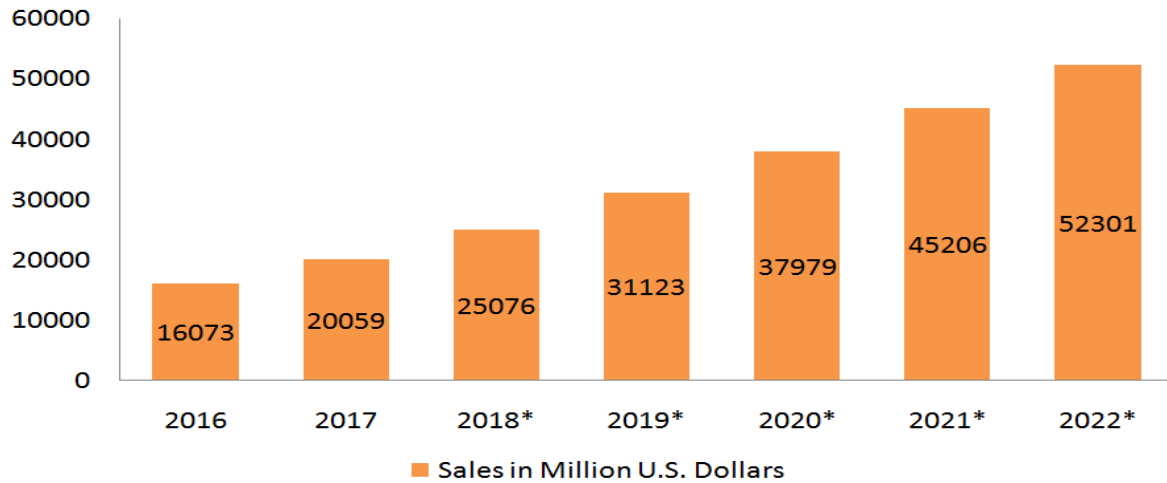
- Since 2014, the Government of India has announced various initiatives namely, Digital India, Make in India, Start-up India, Skill India and Innovation Fund. The timely and effective implementation of such programmes will likely support the e-commerce growth in the country.
- In the Union Budget of 2017-18, government has allocated US\$ 1.55 billion to BharatNet Project, announcing availability of high speed broadband connectivity on optical fibre and accessibility of wifi hot spots and digital services at low tariffs in more than 150,000 gram panchayats, by the end of 2017-18.
- In December 2017, the Department of Industrial Policy and Promotion (DIPP) is planning to release the index to rank Indian states based on the start-up ecosystem and the measures undertaken to promote start-ups in the states.
- Finance Minister Mr Arun Jaitley has proposed various measures to quicken India's transition to a cashless economy, including a ban on cash transactions over Rs 300,000 (US\$ 4,655.1), tax incentives for creation of a cashless infrastructure, promoting greater usage of non-cash modes of payments, and making Aadhaar-based payments more widespread.
- Government announced the launch of BHIM app. It will help increase digital payments in the country. BHIM app has been adopted by 12.5 million so far. The Government will launch two new schemes to promote the usage of BHIM; these are Referral Bonus Scheme for individuals and a Cashback Scheme for merchants.
- Under the Digital India movement, government launched various initiatives like Udaan, Umang, Start-up India Portal etc.
- The recent announcement of GST roll out, another significant reform would help e-retail competitors streamline their supply chain and simplify their tax structure, while rationalising seamless integration of goods and services across the country. Moreover it will eliminate the dual taxes being imposed on the current ecommerce eco system.
- The Reserve Bank of India (RBI) has instructed banks and companies to make all know-your-customer (KYC)-compliant prepaid payment instruments (PPIs), like mobile wallets, interoperable amongst themselves via Unified Payments Interface (UPI) by April 2018.
- In order to increase the participation of foreign players in the e-commerce field, the Indian Government hiked the limit of foreign direct investment (FDI) in the E-commerce marketplace model for up to 100 per cent (in B2B models).
- The Government of India has distributed rewards worth around Rs 153.5 crore (US\$ 23.8 million) to 1 million customers for embracing digital payments, under the Lucky Grahak Yojana and Digi-Dhan Vyapar Yojana.

(Source : [www.ibef.org/download/Ecommerce-Report-Jan-2018](http://www.ibef.org/download/Ecommerce-Report-Jan-2018))

### **Number of internet users in India from 2015 to 2022 (in millions)**

This statistic provides information on the number of internet users in India from 2015 to 2022. In 2017, India had 331.77 million internet users. This figure is projected to grow to 511.89 million internet users in 2022. Despite the untapped potential, India already is the second-largest online market worldwide. The majority of India's internet users are mobile phone internet users, who take advantage of cheap alternatives to expensive landline connections that require desktop PCs and infrastructure. As of 2016, India had 320.57 million mobile phone internet users and forecasts estimate 492.68 million Indian mobile phone internet users by 2022.

(Source : <https://www.statista.com/statistics/255146/number-of-internet-users-in-india/>)



### Highlights of Indian E-Commerce industry

- Revenue in the "ecommerce" market amounts to US\$25,076m in 2018.
- Revenue is expected to show an annual growth rate (CAGR 2018-2022) of 20.2 % resulting in a market volume of US\$52,301m in 2022.
- The market's largest segment is the segment "Fashion" with a market volume of US\$8,859m in 2018.
- User penetration is at 15.3 % in 2018 and is expected to hit 23.9 % in 2022.
- The average revenue per user (ARPU) currently amounts to US\$121.02.

(Source : <https://www.statista.com/outlook/243/119/ecommerce/india#>)

## BUSINESS OVERVIEW

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in the section titled 'Risk Factors', beginning on page no.19 of this Draft Prospectus.*

*This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled 'Risk Factors' and the chapters titled 'Restated Financial Statement' and 'Management Discussion and Analysis of Financial Conditions and Results of Operations' beginning on page nos.19, 165 and 187 respectively, of this Draft Prospectus.*

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

### OVERVIEW

Our Company was originally incorporated in Ahmedabad as “Salebhai Internet Private Limited” on April 06, 2015 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. A fresh certificate of incorporation consequent upon conversion of Company to “Salebhai Internet Limited” was issued on February 12, 2018 by the Registrar of Companies, Ahmedabad, Gujarat. The Company’s Corporate Identity Number is U51101GJ2015PLC082801.

Salebhai.com is an Indian e-commerce portal that enables people living away from home order a range of specialties directly from their hometowns. It is also a one-stop solution for those who want to discover regional products from across India. People can pick from a wide variety of delicious consumable items like sweets, namkeen, chocolates, bakery, spices, dry fruits, beverages, and pickles. Salebhai also offers other products such as handicrafts, paintings, puja items, handloom goods, and herbal & wellness items.

The unique enterprise was launched on 15<sup>th</sup> September, 2015 by Mr. Vishwavijay Singh, Mrs. Purba Kalita, and Mr. Anand Varani, after they identified a market gap, led by people migrating within Indian and abroad and goods representing their culture were mostly in short supply. After studying migration trends among Indian citizens, it was observed that most people moved to fast growing cities like Ahmedabad, Bangalore, Chennai, Delhi, Kolkata, and Mumbai – either due to employment opportunities, education, or marriage. The data on migration in the 2011 Census also revealed that 2 out of every 5 Indians are migrants, which make for a whopping 40% Diaspora population.

The market gap also demonstrated that migration created a void in people’s lives. Therefore, driven by back-to-roots philosophy, this E-commerce marketplace focuses on requirements of over 17 Diaspora communities living in big Indian cities as well as those who live abroad. With 8500 products sourced from over 100 cities and 300 select vendors, the company provides people with an opportunity to buy products in various categories from sellers across India as well as discover new items from different communities and cultures.

Furthermore, the products available on Salebhai.com are priced exactly as displayed on the shops where they are available. All products listed on this platform come with detailed description, which include – popularity, benefits, facts, place of origin, usage, etc. Apart from these, all consumable products come with serving ideas from reputed chefs. The platform also lists complete information about vendors such as their history, lineage, and reputation.

Salebhai.com plans to further deepen its offerings to customers by penetrating into smaller towns for sourcing, will widen our offering by adding new categories which are missed by people. The company has a strong team

which consists of professionals with proven expertise in IT, marketing, content development, innovation, disruptive thinking, channel management, logistics, and customer support.

## REGISTERED OFFICE

Our Company's Registered Office is currently situated at 307-A, C/O Safal Pegashis, Opp.Kiran Motors, 100ft Road, Opp:Rivera Bungalows,Prahalad Nagar,Vejalpur, Ahmedabad, Gujarat– 380015. Since incorporation the registered office of the company remain same and there is no change in the registered office as on the date of filing of this Draft prospectus.

For further details of our Properties, please refer to the chapter titled '*Business Overview*' beginning on page no.110 of this Draft Prospectus.

## OUR MAIN OBJECT

To carry on the business to online web based marketing, exporter, importer, traders, buyers, sellers, merchant, agents, dealers, distributors, commission agents, auctioneer, online traders, brokers, stockiest, factors, consignors, collaborators, franchisers, concessionaire, consultant, advisors, manufacturer's representative and other wise to deal in all kinds, classes, size, nature and description of Industrial, Commercial, Consumer, Capital Goods, Item, Things, Articles, Commodities, Merchandise, Products weather finished, semi-finished or raw material including Engineering Goods, Equipments, Apertures, Home-Appliances, Household, Automobiles, Electrical and electronic goods, Computer Hardware, Software, software, networking, M. T., I. T. Enabled services, E Mail, E Commerce, Mobile Computing, Mobile E - Mail Services, Web Designing, Web hosting, Website Analytics, Pay per click search advertising, Search engine optimisation, Digital Strategy, call centres, medical transcription, WAP and to undertake the turnkey projects for the same.

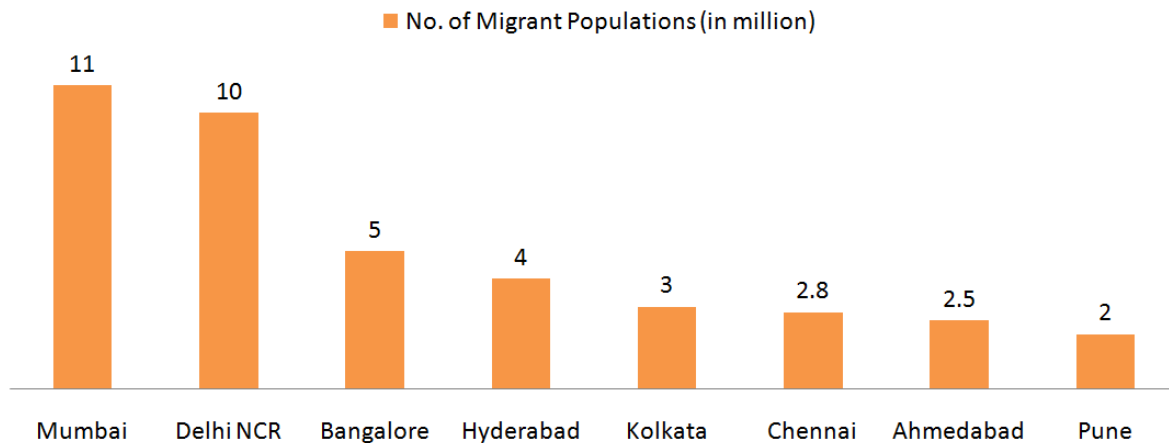
## DETAILS OF OUR BUINESS

### 1. *Background*

Migration is more common today than ever before, thanks to globalization. It was recorded that two out of every five Indians are migrants, which makes for a whopping 40% diaspora population. And the latest World Migration Report 2018 reveals that India diaspora is the largest in the world, with over 15 million migrants from India living abroad. Clearly, internal and external migration was creating a void in people's lives – miss home and home specialties. Tuning to a different environment, food, and culture can be harder than what it seems.

India shows migration both within and outside the country due to several driving factors such as employment, marriage, and education. We studied these trends and observed that within the country, migrant populations are mostly concentrated in fast-growing cities such as Ahmedabad, Bangalore, Chennai, Delhi, Kolkata, Mumbai, Pune, and Hyderabad. Now, understanding the market gap for the migrants longing for hometowns offerings - familiar things to call their own - we launched SaleBhai.com on September 15, 2015.

### Diaspora in Top 8 Cities



## 2. Business Concept

We are an e-commerce platform that is driven by the back-to-roots philosophy. We enable people living away from home to order a range of specialties directly from their hometowns, besides being a one-stop solution for those who want to discover regional products from across India.

From consumable items such as sweets, namkeen, chocolates, bakery, spices, dry fruits, beverages, and pickles, to handicrafts, paintings, puja items, handloom goods, and herbal & wellness items, we have everything a migrant can possibly require or desire. Customers can not only order authentic regional delicacies such as petha from Agra, chikki from Lonavala, or khakhra from Gujarat, but also seasonal goods such as Alphonso, Dasheri, Kesar and Baganapalli mangoes and festive specials such as modak, fafda-jalebi, Mahashivratri prasad from Kashi Vishwanath and Janmashtami prasad from ISKCON... the possibilities through SaleBhai are endless for migrants to feel at home.

## 3. Business Operations

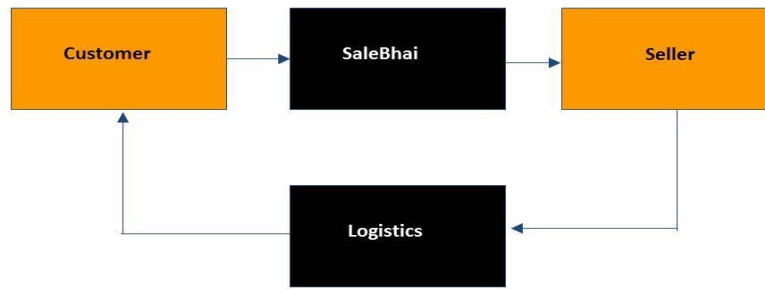
Our e-commerce site, Salebhai.com, is one of the multi-category online retailers in India. Our online retail business commenced operations in September 15, 2015. The current offerings include unique and authentic sweets, snacks, chocolates, bakery items, spices, dry fruits, Indian handicrafts, paintings, puja items, herbal goods, wellness products. All the items are listed under various subcategories, making it easier for the customers to zero it down on their choice.

Our wide range of products and services is complemented by our comprehensive product description, relevant pricing information and provide our customers with a complete seller history to help them make an informed shopping experience. Within each product category, customers enjoy a wide range of selection from various brands/sellers at competitive prices with an easy order processing experience and timely delivery. All our products are unique specialties from across India sold by the best vendors from every nook and corner of the country, at one single platform.

We operate on a true marketplace model where products bought on the website are directly sent by sellers to buyers. We don't stock any goods; logistics is handled by reputed logistics partners. We own the entire experience but the work is done by different people at different points of time. With 8500 products sourced from over 100 cities and 350 select vendors, we provide people with an opportunity to buy products in various categories from sellers across India as well as discover new items from different communities and cultures.



# True Marketplace Model



Furthermore, the products available on Salebhai.com are priced exactly as displayed at the shops where they are available, courier charges are additionally borne by customers. Since it's a marketplace, sellers create special offers, packages, and discounts without subvention; shipping cost is borne by customers. We also sell advertising space to sellers and cross-promote their brands and products.

## Business Model

Customer

Seller

A true marketplace model

Cherry-picking of sellers; choosing top 3 from a town

=

Same prices on the website as displayed at the original stores

Complete information about seller: history, lineage, reputation

- Every product described in detail, with mention of usage, popularity, benefits, facts, origin, legacy, improvisations, etc
- Majority of food items come with serving ideas from chefs

Shipping cost borne by customer

Sellers create special offers without subvention

No inventory

Selling ad space to sellers; cross-promotions

Discover the Oregional

*The process of business operation includes;*

➤ **On boarding of sellers**

We first select the product we want to offer from a particular region, and then scout for the three best sellers offering it. Since we focus on getting unique, authentic regional products, we also handpick the most reputed vendor selling those products in that region. That itself promises quality assurance. Besides, we also check samples if and when required to be additionally sure. Once we cherry-pick the sellers, we contact them, inform them what SaleBhai is about, and then get into an agreement with them. Then we send them a comprehensive questionnaire to fill out, which forms the basis of the well-researched and detailed brand and product descriptions we pride ourselves on and that sets us apart from other e-commerce portals. Even though we have a separate vendor panel, all products details, images, and prices are uploaded by us only. We ask all sellers to print the MRP explicitly on their products, which is what SaleBhai also charges along with a minimal shipping fee. Prices are double-checked at the store, on brand website, and then via mystery calls to the stores.

➤ **Buying process**

Customers visit the website and zero in on the products they want to purchase from the homepage, category menu, or search bar. All products listed on this platform come with detailed description which includes – popularity, benefits, facts, place of origin, usage, etc. Apart from these, all consumable products come with serving ideas from reputed chefs. The platform also lists complete information about vendors such as their history, lineage and reputation.

Customer chooses the weight/quantity of product and the next step is to go to the cart. If they are signed in, they are directed to the cart page. If they are not logged in or are new to the website, there is a quick registration process that asks for contact and address details along with mobile number verification. Once on the cart page, customer is displayed the final payable price. They select the delivery address and then move to the payment page where they can make payment via credit/debit card, online banking, e-wallet, and other payment options. Cash on delivery is not provided by SaleBhai. Once payment is made, the order details are sent automatically to the seller.

➤ **Order shipment & delivery**

The moment a purchase happens, seller can see that order on his seller panel; an alert through SMS and email is also sent to the seller. Seller then prints the invoice and packs the goods in the packaging material provided by Salebhai; subsequently an alert goes to the logistics partner for pickup. Logistics partner picks up the goods from seller and it is delivered to the customer. An alert in the form of SMS and email is sent to the customer at every stage of the process; the customer can also track his order on the website. Since SaleBhai has a marketplace model in place, the products are sold by the sellers directly to the customers – with the invoice issued by the former in the name of the latter. Order is delivered between four and seven working days.

➤ **International Delivery**

In the past two years, the e-commerce start-up – salebhai.com has become the perfect site for Diaspora communities across India to order authentic items from their hometowns as well as a portal for discovery of unique products from different regions of the country. And when queries about international delivery started pouring in from Indians across the world, we decided to launch international delivery for overseas customers. We first tested it during Raksha Bandhan focusing only on countries like US and UK. When it was successful, we launched international shipping to 195 countries, with special focus on the US, West & South Africa, Middle East, Australia and the UK. We have tied up with leading international logistics providers to ensure timely delivery, especially of food items with short shelf lives. Time taken to deliver international orders is five to six working days from shipping. The entire process has been seamlessly integrated into our automated website.



Additionally, with multiple secure online payment options and easy tracking facility, our platform has gained first-mover advantage in reaching out to a wider customer base within a short span of time.

Apart from catering to homesick Indians, SaleBhai's international delivery now makes it possible for people from other countries to discover the vibrant flavors and colors of India. Intricate handicrafts from Jaipur, Odisha, Kannur, Kondapalli, Moradabad, famous freshwater pearl jewelry from Hyderabad, black pottery from Manipur, and 100% organic body care items with the essence of Ayurveda are just a few of the growing list of products curated for international delivery, besides a plethora of the choicest foods.

Needless to say, India is a mesmerizing country for foreigners and thus on most of their travel bucket list. From the mountains of Himachal Pradesh to the beaches of Goa, the treats and treasures of the furthest reaches of India are now open to everyone around the world with just a few clicks. An important feature of SaleBhai's international delivery is the significant reduction in shipping charges if customer opts to buy two or more products from the same seller. As most of the regional sellers offer products for specific communities, this would be quite advantageous for new customers abroad.

SaleBhai has two offices - the main one at Ahmedabad and the IT department in Vadodara. The company upholds the concept of virtual office. With IT penetration even in remote areas, talent acquisition is no longer dependent on location. When one hires candidates for remote work from tier 2 or 3 cities, they at once cut down acquisition cost and also contribute to that region's economy. As such, the remaining 14 employees, belonging to various departments such as content & communication, marketing, and business development, are spread across the rest of India. They are full-time, work-from-home employees working out of Guwahati, Surat, Bangalore, Agra, Chandigarh, Kolkata, New Delhi, Gopalpur, Hyderabad, Mumbai, and Ambala. These seasoned professionals form almost half the force of SaleBhai.

#### 4. *Business Strategies*

We work on a true marketplace model – implying that the seller of the goods purchased online sends it directly to the buyer. The comfort of being able to order specialities from where they belong and from the best and authentic sellers across the country has popularised the brand like nothing else.

Letting people discover regional specialities and getting them delivered right at their doorsteps is definitely something that earns us brownie points. We follow a unique and strict strategy while selecting sellers. The brand focuses on providing the buyer with special and genuine local products from different communities and cultures.

The first step in this is very thoughtfully selecting the product we want to offer from a particular region – followed by picking top three sellers offering the same in that region. This assures good product quality and credibility. Even after all this, samples are checked just to be additionally sure and then the seller is finalised. And the best part is, all the items on the website are sold exactly at the price they are sold at the shops in respective cities along with a shipping fee.

Besides these there are many other business strategies that we have incorporated which is only making the brand bigger and better with time. Our other Business Strategies includes social media, marketing, promoting, and other approaches such as:

##### 1. **Focus on Repeat Buyers**

Unlike our competitors, we focus on repeat buyers, which can increase our revenue manifolds per user for the year. We already have 22% of our buyers who have ordered at least twice from our website, and 19% buyers with more than five orders, as of March 2017.

## 2. **Customer-Friendly Platform:**

Our Salebhai.com e-tail site features a user-friendly and intuitive interface - low loading time, smooth navigation across pages, easy search, simple categories and subcategories, eye-soothing design and display along with a wide array of products to make the platform immensely customer-friendly. Our e-commerce site is also **mobile-friendly** and is accessible seamlessly across various product categories.

## 3. **Quality of Products:**

We guarantee freshness and quality of all products, eliminating the basic concern linked with online purchases. All products are hygienically packed and carefully delivered by a reputed logistics partner. The best available replacement/refund policy for expired products, damaged products, and wrong products gives buyers the much-needed assurance.

## 4. **Reasonable Pricing:**

All products on our platform are priced reasonably. There are no hidden costs whatsoever. Most of the items come with free shipping anywhere in India, making them more desirable. A shipping fee, if applicable, is included in the total price mentioned against the product. Many products come in different sizes/quantities (depending on the type of product), giving you greater choice.

## 5. **Corporate Gifting:**

Our corporate gifting facility allows one to deliver gifts directly from the manufacturers to as many locations as required across India. During the festive season, it is customary for businesses to send out corporate gifts to its associates, employees, and clients - but the logistics involved is a hassle for every Human Resources department, especially when clients and employees are spread out in different offices and locations -- across cities, states, or sometimes even within the same city. We have streamlined the entire process of gift-giving for corporates, and facilitates the purchase of these gift items at wholesale rates directly from manufacturers.

## 6. **Fast and Secure Delivery:**

Our products are delivered within 7 days, depending on buyer location, seller confirmation, type of product, and vendor location. SaleBhai is completely committed to fast delivery, without compromising on freshness, quality, and packaging. Its reputed logistics partner ensures that you get the best in the least possible time. Because we understand that delivery time is a major deciding factor every time one buys sweets online.

## 7. **After-sales Services:**

Customer satisfaction and unmatched user-friendly processing are the guiding principles of this trend-setting company. We are here to forge a long-lasting relationship with our customers; hence our job doesn't end with selling. We make sure products are delivered properly and on time. A proactive team is always on the job to ensure supreme buyer experience. In the unfortunate event of an order cancellation/unsatisfactory experience, the refund process gets kick-started automatically. Selling comes after relation-building with customers on the priority list of this platform. One of its catchphrases, 'Kyunki dil hai bhai,' sums this up well.

We believe that the reliable, enjoyable, secure, efficient, quick and convenient online shopping experience provided by our Salebhai.com e-retail site to our customers enables us to further strengthen brand loyalty and increase repeat purchases from our customers.

## 8. **Social media campaigns**

SaleBhai has an aggressively active social media presence. Constant and relevant updates on various social media forums, informative and interesting blogs, innovative measures and ideas make the brand stand out. We have a social media presence on Facebook, Twitter, Instagram, YouTube, LinkedIn, Pinterest and Google+

Social media functions as the one of the most important platforms for SaleBhai’s brand building. The pre-launch campaign on Facebook was a great success, even garnering a feature in The Economic Times for its creative entrance.



✓ **Fortnightly contests**

SaleBhai organises regular contests on its website as part of its engagement campaigns and continues to receive enthusiastic responses.



✓ **MindThatBody**

An engagement-driven campaign professing the advantages of mental, physical, and overall health.



#contests #contestindia #WednesdayWisdom #Wednesdaymotivation



4:37 PM - 29 Nov 2017

✓ **Event-Specific Series**

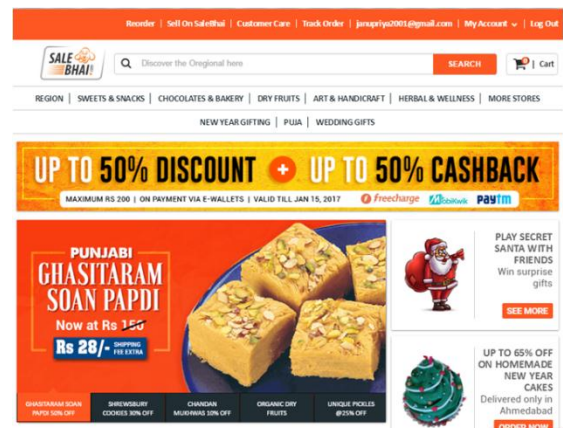
Boasting a strong content team, SaleBhai comes up with a series for special occasions and days for its social media audiences.

We already have a strong following of 1 lakh on Facebook, 3000 on Twitter, & 1600 on Instagram. We also boast the lowest costs of acquiring customers on Facebook and having our Twitter hashtag #90sBaccheyRemember trend at No. 1 across India. We have also registered a steady growth in organic as well as direct traffic, high CTR, and a good brand presence. High level of repeat-buying customers, increase in types of products purchased, and good response to emails and SMSes are some patterns observed in SaleBhai’s customer base.

## 9. Marketing & Promotion

We popularise our products along with seasonal offers in advertisements on

- ✓ Google (display and text)
- ✓ Facebook
- ✓ Instagram
- ✓ LinkedIn
- ✓ Newspapers
- ✓ Magazines
- ✓ Online portals such as Navbharat Times and Times Of India.



One of our most successful marketing campaigns has been The Great SaleBhai Challenge which offered the most unique products across India to customers at a 100% no-questions refund if they were not satisfied with their products, besides letting them keep it.

Another important content marketing strategy SaleBhai continues to excel at is newsletters and promotional mails through which they engage, delight, and inform their customers.

### ➤ Unique content and packaging

We pushed our way through the market with the help of precise yet in-depth content. The unique way of explaining the brand and product history, making method, ingredients used, and serving ideas from expert chefs gives us an edge over others. We even cater to special festival needs such as Diwali, Holi, Raksha Bandhan, and others with special packages made especially for the occasion. Handy prayer packs for Laxmi, Ganesh, or Durga puja are sold for the convenience of the devotees.

We run one-of-a-kind campaigns – especially around big Indian festivals – wherein we aim at providing festival-special goodies to customers without them having to stand in long queues.

### ➤ Customer Service

With major focus on the nostalgic needs of the Indian population we do the job of taking you back to your roots and ensure that your experience – from browsing, buying, to even after sales – is completely user-friendly. We keep our customers updated at all times – from when his item is dispatched to its delivery – via email as well as SMS.



Just in case – though very unlikely – the customer receives a damaged or expired packet, he can immediately write an email to the customer service. And can expect a solution – from our very quick and efficient customer support – within next 24 hours. We provide our customers with one landline and one WhatsApp number along with an email id – all of which are available on the website – that can be reached anytime between 10-7 on weekdays.

Additionally, with multiple secure online payment options and easy tracking facility, our platform has gained first-mover advantage in reaching out to a wider customer base within a short span of time.

#### ➤ **Marketing And Business Development**

We are very clear about making the most of the huge market – consisting of all major cities with high migrant population within India and abroad. Our primary focus is to market and supply products that have a demand throughout the year.

#### **Future Plans**

We plan to successfully add another 400 unique sellers by the end of 2018. We hope to increase repeat-buying and sales through web personalisation & market automation. We aim to penetrate deeper into the market and target over 16 million Indians living abroad with our offerings – that includes everything and anything that one misses when away from home. We plan to go to interior towns for sourcing products and focus on international markets. We want to be the first site that comes to a homesick Indian or even a foreigner's mind – crazy about Indian handicrafts and ayurvedic products – when they think of the vibrant colours and flavours of India.

### 5. *Our E-commerce Platform*

Our Salebhai.com e-retail site includes the following features:

- **Browsing:** We provide our customers with a range of information relating to the various products, including product description, images, and product reviews and ratings. It includes popular features such as new arrivals, popular products, popular brands, top 10 selling items, unique product and regional specialties for quick link and easy choice-making for our customers. We also display the current discounts, offers and promotional activities as a banner on our home page.
- **Search:** Our platform provides a range of search tools based on various criteria including product category, sub-category, sellers, price, discount, delivery option, product availability and shelf life. These products may be categorized and sorted for the customer based on popularity, price and other specific criteria.
- **Reviews and Rating:** Customers may submit their ratings and reviews of products and services on our website, using the email id they have used to purchase the particular product. This is to ensure that feedback is from genuine customers buying from our website. These reviews are monitored and uploaded on the site for the benefit of other customers to enhance their search experience and enable them to make suitable choices. The comment section below every product is to enable our customers communicate to us regarding any issue or any other requirements. The review and ratings system also help sellers to get feedback on their products and accordingly improve wherever required.
- **Personalized Services:** We offer a personalized e-commerce experience by delivering targeted product recommendations based on the relevant customer's browsing and purchase histories. We also analyze each customer's purchase patterns and send personalized emails periodically, updating them on new product launches and promotional and marketing events.

## SaleBhai Mobile App

As per the latest survey conducted by comscore, a leading cross-platform measurement company that studies consumer behavior across platforms shows that the number of smartphone users has surpassed that of the desktop/laptop users and a third of digital traffic to retail websites gets generated through mobile phones. To ease the shopping experience for our customer, we launched our SaleBhai Android app on August 24, 2017, that is easy, convenient, and fun.

It lets our customers search and browse various brands and categories seamlessly. They just have to select a product of their choice and leave the rest to us. Apart from providing them with safe and secure online payment options, we also send them timely notifications on the status of their order, sales, discounts, and new offerings. Now, the whole process of shopping anytime from any corner of the world in India has become easily accessible through mobile phones.

A few of our SaleBhai mobile app features are as follows –

- ✓ Quick browsing & easy order tracking
- ✓ Easy shopping with clear images & detailed content
- ✓ One-touch addition to wish list
- ✓ Notifications on exclusive deals & discounts, & combo offers
- ✓ Product suggestions and app-sharing feature
- ✓ Button to share discovery with friends & family
- ✓ International delivery
- ✓ Convenience to add money in SaleBhai wallet
- ✓ Advanced setting for notifications, sms, and email (including enable/disable feature)
- ✓ Easy blog search and blog comment option
- ✓ SaleBhai app requires Android OS 4.0 or higher versions

Since the launch, we already have 48, 386 users app downloads and 95.5 % returning users to continue shopping using our app. Our aim is to increase our sales and at the same time, ease the shopping experience for our customers.

## 6. *Our Strengths:*

### A. Salebhai - A B2C enterprise

Salebhai is a consumer facing internet based company. Being a B2C allows the company to have the pulse of the market , specifically the consumer. Consumer is the focal point & every thing revolves around it. Not all B2C companies are consumer-facing – it is necessary to deliver satisfactory user experience via all customer touch points to be called so. These are some ways we differ from business-facing companies.

#### a) **Consumer-facing Concerns**

From planning to marketing and production, business-facing companies take regular decisions from a business point of view that do not take into account the end consumer’s preferences or satisfaction. However, for a consumer-facing company like ours, we take into account every fine detail that remotely affects the consumer – right from tracking customer needs to taking in their feedback to make for a superior experience for them on the platform and beyond.

#### b) **Higher Brand & Product Awareness**

Since we are a consumer-facing company, our promotions are targeted at them on digital platforms. This constant promotion continues to create and maintain a higher awareness about our brand and products in their minds. From authentic regional foods and handicrafts to a host of herbal, festive, and seasonal products,

SaleBhai is fast becoming the go-to site for expert-curated items from the most trusted regional sellers across India. And this is because of SaleBhai's increasing brand awareness through its promotions.

**c) Higher Brand Value of Company**

A consumer-facing company generally has a higher brand value. We have a three-pronged approach to consistently build it – emotionally connect, internally strengthen, and maintain focus. Firstly, by appealing to our customers' emotions through our back-to-roots philosophy, we connect with their sense of nostalgia about their original hometowns and flavours and experiences of their childhood. Secondly, being a small close-knit and dedicated team, all our employees are attuned to the company ethos and this helps strengthen our brand advocacy through them. Finally, we have a consistent approach to maintaining our brand image – across all content and communications – that ensure that consumers and potential consumers are always clear about what we stand for. This constant reiteration helps in establishing a sturdy brand recall that goes on to further enhance our brand value.

**d) Associated With Distinct Identity**

Another way our consumer-facing company is different from a business-facing company is the way we are associated with a distinct identity. As an e-commerce platform that caters to migrant communities within and outside India, our brand is characterized by its deep-rooted understanding and appreciation of authentic foods and goods of the many corners of India. It is a brand that upholds the importance of nostalgia in a world where people are rapidly getting displaced from their hometowns for better prospects. This, coupled with the fervor for discovery of new and untried Indian regional products, forms SaleBhai's distinct identity that consumers connect to.

**B. Promoters with a difference**

The role of promoters in startups is a crucial one - and their roles and functions in the years that follow pave the trajectory in which the company could head in the near and distant future. When it comes to SaleBhai, it was launched on September 15, 2015 with the rounded efforts of our driven promoters - including CEO Vishwavijay Singh and CFO Anandprakash Varani. It has been more than two years since, and the commitment of the company's promoters towards it and its valuation continues to be rock-steady and only continues to grow more with time.

This unshakeable commitment can verily be gauged from two significant points:

**a) Unsalariated Promoters**

The faith of the promoters in the company's potential and scalability is such that they have not drawn salary from the company since the very beginning. Instead of burdening the company by being high-cost resources, CEO Singh, CFO Varani, and the others channeled the funds to instead utilise it efficiently in expanding SaleBhai's footprint. According to a Bloomberg analysis, CEOs in India earn 229 times more than the average worker. Given such statistics, it is an investment of paramount figures that the promoters are making for the company.

**b) Undiscounted Equities**

Even though the company started more than two-and-a-half-years back, the promoters got equity at the same price as others whenever they invested money. The equity issued to the promoters was never at a discounted rate.

The latest infusion of funds by promoters and promoter group of Rs. 1,30,86,680 into equity share capital at the rate of Rs. 950 per share is again a demonstration of their confidence in the company & its business model . Our promoters have purchased the shares at the same rate as offered to others which is the biggest statement

they can make justifying the valuation of the company. This also boosts the confidence of every investor and non-promoter shareholder of the company as the promoters have placed themselves on the same pedestal as other investors by making the purchase at the rate prevalent as per the derived valuation of the last series of share allotment.

By infusing capital at the same rate as the non-promoter shareholders, the promoters reinforced the confidence of the public in the current value of company as well as its growth in the coming years.

### C. Information Technology

#### Technology Guidelines

The technology architecture and infrastructure is setup for meeting the quality guidelines needed for running a successful ecommerce platform. The criteria for each are as below:

**Usability:** Usability is about convenience or ease with which end user can interact with the system. SaleBhai portal and apps are developed keeping in mind the latest trends of industry with mobile and search friendliness. For usability, we monitor our systems on the benchmarks for Consistency, Clarity, Navigation, Multi Browser Support etc.

**Reliability:** Reliability is the aspect of the system which ensures the data integrity, communication between tiers. For SaleBhai we try to ensure that data is persisted across all stages of order and transaction processing.

**Availability & Backup:** Availability is a way to specify the uptime of a deployed system. Our technology architecture is setup in such a way to provide highest possible uptime with Disaster Recovery site out of the core Amazon AWS Platform for multi-point failure. Backup are regularly taken to ensure recovery from any unforeseen circumstances.

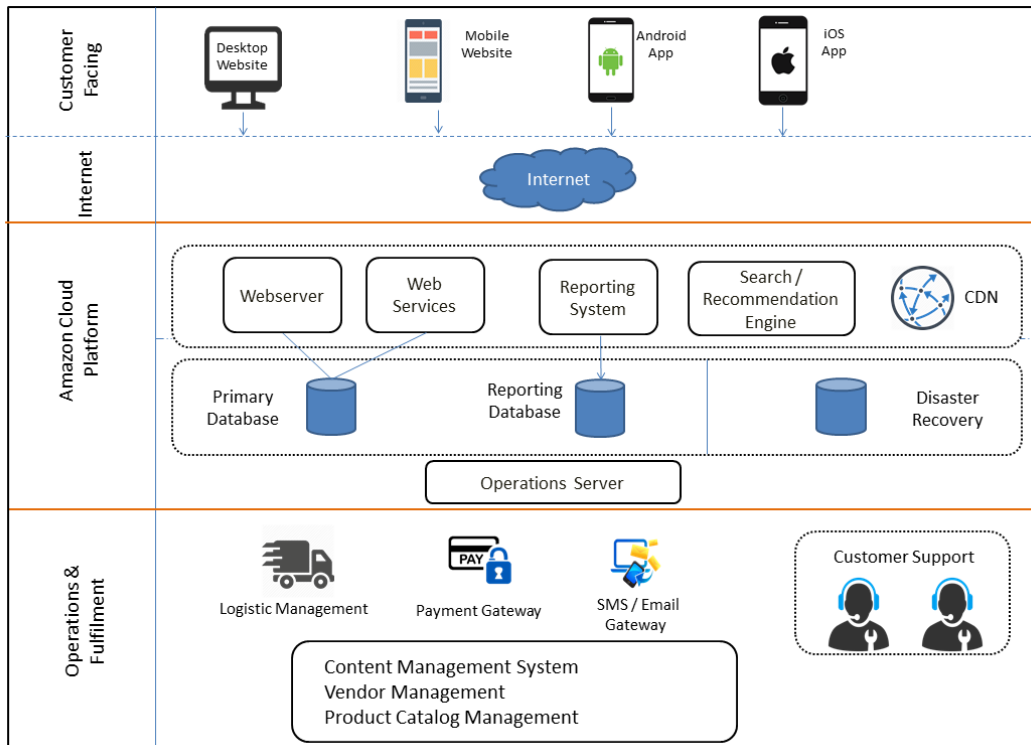
**Scalability:** Scalability describes the ability to add capacity and users to a system over time. Scalability usually requires the addition of resources, but should not require changes in the design of the deployment architecture or loss of service due to the time required to add additional resources failure. SaleBhai architecture currently supports both Horizontal and Vertical scaling if required to sustain heavy use of website and mobile applications.

**Performance:** For web portal like SaleBhai, performance would be that aspect of service, which would be measured in terms of throughput and latency. Higher throughput and lower latency values would represent good performance of a service. Performance of the SaleBhai portal is measured using various parameters such as

1. Response time per request – Time taken by a web page to load.
2. Transaction per second – On load, the number of request (web page loading time) that can be processed by the application within a second.
3. Total simultaneous users – Total number of simultaneous users system can handle at a time. This is extremely important for a portal like SaleBhai which utilizes Social Media, Email and SMS campaigns for customer acquisitions.



## Technology Infrastructure



## Technology Architecture

Our primary focus is to keep innovating our IT system and services according to the needs of customers and market.

Our technology platform enables us to support various set of entities including sellers, products, customers and services. SaleBhai products are available via SaleBhai Desktop Website, Mobile Website, Android App and iOS aping a user-friendly and easy to order manner. Apart from the customer facing platforms, there is a strong backend system for product catalogue management marketing, logistic services, Seller Panel, Search Engine optimization and so on. for successfully managing the operations and fulfilment services.

## Infrastructure Deployment

As described in the architecture image, SaleBhai portal uses the following infrastructure platform.

### 10. Amazon Cloud Platform

EC2 – Multiple Amazon EC2 Servers are used for Web-Services, Application Server, DB Server, Reporting Services Search, Recommendation and Data Mining purpose. Amazon CloudFront is used for CDN purposes.

### 11. Technology Platform

SaleBhai technology platform reflects a combination of own proprietary technologies, commercially available licensed technologies & other open source projects. We focus our internal development efforts on creating and enhancing the features and functionality of our platform and order processing and fulfillment systems to deliver a high -quality user experience. We heavily use service oriented architecture for building our various platforms. Our technology systems and infrastructure are key operational and management assets which are integral to the provision of our services and products.

Our technology infrastructure consists of front-end modules supporting our user-interface, seller panel for vendor management and back-end modules which support our business operations such as logistics, payment gateway and product catalog management. User-interface technology support modules include user account management, shopping cart, Android and iOS mobile apps, website pages, search & recommendation engine, product detail pages, category screens, seller pages, product displays and order management functions. Our business support technology modules include order processing, personalized product recommendations, email & SMS delivery and direct mail. Additional applications used in our business operations include modules for acceptance and validation of customer orders, placing and tracking orders with sellers, managing and assigning inventory to customer orders and ensuring proper shipment of products to customers. Our order processing system handles thousands of items, various status inquiries and multiple shipment methods. In addition, our email & SMS, mobile notifications delivery system allows us to maintain ongoing automated email communications with customers throughout the ordering process. These systems power routine communication, facilitate management of customer enquiries and allow customers to check order status and manage their personal information as well as purchase and delivery options and preferences.

We believe that our modular, scalable technology platform enables us to rapidly increase system capacity and introduce additional features and functionality in our business operations systems in response to customer requirements and market trends without affecting the efficiency of existing operating modules or incurring any significant additional technology expenditure. Our systems infrastructure, internet and database servers are located in Amazon Cloud Infrastructure, and have monitoring and engineering support to address technical difficulties and ensure business continuity.

Our servers are setup in such a way that in case of increase in need of data handling capacities of server, it can be automatically scaled horizontally and vertically. We intend to significantly upgrade our technology hardware and infrastructure to provide for future growth and ensure scalability. We also intend to use only Amazon Cloud platform for near future for effective and cost-efficient management of servers.

We also intend to significantly upgrade our existing technology infrastructure and hardware to provide for future growth and ensure scalability of our technology platform which forms the core of our value added services. We believe that our in-house technology capabilities will continue to play a key role in effectively managing our pan-India operations, maintain strict operational and fiscal controls and continue to enhance customer service levels. We have invested significant resources, and intend to further invest in our in-house technology capabilities to develop customized systems and processes to ensure effective management control. In order to process increasingly sophisticated software applications targeted at enhanced user experience and handling increased user traffic, we continue to upgrade our technology infrastructure hardware and introduce new operating software.

In addition, we intend to employ additional software developers & user interface designers to strengthen our software development capabilities & introduce additional value added service offerings.

### **Information Security**

We are committed to protecting the security of information relating to our various users including our sellers and customers. We develop, support and analyse service modules, applications, distributed systems and operating systems for information security by focusing on security applications, infrastructure, security software development and technical program management. Our dedicated information security team is responsible for implementing and maintaining various controls to prevent unauthorized users from accessing our internal systems, including implementation of information security policies and procedures, security monitoring software, encryption policies, access policies, password policies, physical access limitations, and the detection of any fraud committed by internal staff. We have also installed anti-virus software and secure firewalls to prevent unauthorized use or access.

## 7. Business Opportunities

Our survey showed that there is a huge market opportunity to target migrants in big Indian cities and abroad, besides those who want to discover regional delicacies, art, culture and heritage.

### India’s Consumption Basket (Key Categories)

(All figs in US\$ Billion)	2010	2015*	2020*
Food & Grocery	308	400	500
Pharmacy, Wellness & Healthcare	60	120	250
Telecom Services, Home Electronics/ Appliances & Personal IT Products	44	75	125
Education (K-12, higher education, vocational & coaching)	33	55	90
Apparel & Home Textiles	33	45	60
Personal Transport (vehicles + fuel + repairs + insurance)	30	48	75
Jewellery & Watches	23	37	65
Travel & leisure	15	25	40
Home – Furniture & Hard Furnishings	13	20	30
Hotels, Restaurants, & Cafes	6	12	25

Source: Business Line

So we tended to focus only on those categories that would have regular demand throughout the year. The average consumption of which per household would be INR 4000 per month. With 7 million diaspora population in top 8 cities, monthly market size for SaleBhai would be Rs.2,800 crore; which means yearly market size of INR 30,000 to 35,000 crore with current categories in the 8 cities alone.

Next in target were the repeat buyers, which would increase our revenue manyfold per user for the year. And since the products we deal in are not price sensitive, it was a good market to grab. The following graph sums up the market opportunity we are trying to grab



## 8. Our USPs

Our products are authentic and unique, supplied by cherry-picked vendors from specific regions. We currently have 8500+ products sourced from over 350 select vendors based in more than 100 cities across. Each product is displayed with detailed description, including ingredients, popularity, benefits, region of origin, and usage and high resolution pictures are uploaded from every angle possible for clear view of the product. Apart from these, all consumable products come with serving ideas from reputed Indian chefs. We also list complete information about sellers such as their history, lineage, and reputation. We bring unique specialties from across India at one place for our customers.

We also create special packages to address genuine needs of people living away from home, such as puja packs for various occasions.

Our strong team with expertise and proven track record in IT, marketing, content development, innovation, disruptive thinking, channel management, logistics, and customer support has enabled the functioning of the business smoothly and efficiently. Our efficient use of capital helps deliver a higher Return on Investment (ROI).



## 9. Awards And Recognition

As of now, we have been recognized as one of the ‘Top 100 Startups in India to Watch in 2017’ by Sutra HR while Tech In Asia acknowledged us as one of the ‘5 Rising Startups in India’ in 2016. The CEO Magazine also listed us in the 50 Emerging Startups In India in 2017. We also won the award for Best Use of PR by a Brand (Metro) for Value 360, bestowed by the reputed India Public Relations & Corporate Communications Awards 2017 (IPRCCA).

SaleBhai’s unique approach and business strategies have found mention in print and online publication more than 300 times in some of the major names that carried out our reports such as Economic Times, Business Standard, Times Of India, BW Business World, Live Mint, ANI, Entrepreneur, The New Indian Express, DNA, Yahoo! News, Zee News, INC42, The Plunge Daily VCCIRCLE.

## 10. Human Resources/ Employees

We offer our employees competitive compensation from time to time, besides which we encourage a positive working environment which boosts initiative and self-development. We ensure smooth functioning of operations with a well-defined set of responsibilities for each employee. We also train our employees to familiarise them with our company’s working environment and operational procedures.

We have a small but very strong team of 27 professionals with expertise in IT, marketing, content development, innovation, disruptive thinking, channel management, logistics, and customer support.

We believe that a team of committed and motivated employees is a key competitive advantage and will benefit us in our future growth and expansion. Our Company currently has 27 employees in total.

The details of manpower employed as on date are as under:

Category	Company Pay Roll
Executive Directors	3
Senior Managerial Team / KMP	1
Managers / Officers	3
Executives	20
<b>TOTAL</b>	<b>27</b>

Further, Company has not engaged any workers on contract basis.

## 11. Competition

We have no major and immediate threat at this point of time. There are online portals selling either handicrafts, herbal products, or food specialities, but we offer all of this and more together at one place. Further, we face competition from local market. Competitors having superior financial, research, execution and marketing resources than us pose competition to us. We also face competition from various small unorganized operators. However, we expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitors or local market.



	SaleBhai	Competitors
<b>Inventory</b>	No	Yes
<b>Marketplace</b>	Yes	No
<b>Special Products e.g. Mango</b>	Yes	No
<b>International Delivery</b>	Yes	No
<b>Focus on Repeat Buying</b>	Yes	No

## 12. Collaborations

The Company has so far not entered into any technical or financial or any other collaboration agreement till date.

## 13. Properties Details

Our Company does not own any property of its own. Our Registered office is located at Ahmedabad which is a rented premises, detail of which are as follows:

Agreement Date	Name of the Licensor	Location	Purpose	Rent Amount Rs. (P.M.)
September 05, 2017	Maharaj Kumar Bhagirath (HUF) Singhji	A-307 Safal Pegasus, Near AUDA garden, 100 ft road, Prahlad Nagar, Ahmedabad 380015.	Registered Office	57,250
April 01, 2017	Mr. Pramod Rao	10, Pratham Enclave, Sun Pharma Road, Atladara, Vadodara – 390012, Gujarat.	IT Setup Office*	10,000


\*The Company is in the process to shift its IT Setup at its Registered Office situated in Ahmedabad, Gujarat.

## 14. Insurance Policies

Our Company does not have any Insurance Policy as on date of this Draft Prospectus.

## 15. Intellectual Property

As on the date of this Draft Prospectus, the current logo of the Company belongs to and is registered in the name of our Company. We seek to protect our intellectual property rights to the extent practicable. The trade name has been registered under class 35 under the Trade Marks Act, 1999 in India since May 29, 2017.

Sr. No.	Particulars of Mark	Applicant	Date of Filing	Application Number	Class
1		Salebhai Internet Private Limited	February 22, 2016	3190916	35

## KEY INDUSTRY REGULATIONS AND POLICIES

*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 various legislations, including rules and regulations promulgated by the regulatory bodies 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 legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the chapter titled “Government and other Approvals” beginning on page no. 196 of this Draft Prospectus.*

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.*

*In addition to what has been specified in this Draft Prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labor laws and other miscellaneous laws apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “Government and Other Approvals” beginning on page no. 196 of this Draft Prospectus.*

Depending upon the nature of the activities undertaken by our Company the following are the various regulations are applicable to our company

### **INDUSTRY RELATED LAW:**

#### **1. The Information Technology Act, 2000**

An Act to provide legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as “electronic commerce”, which involve the use of alternatives to paper-based methods of communication and storage of information, to facilitate electronic filing of documents with the Government agencies and further to amend the Indian Penal Code, the Indian Evidence Act, 1872, the Banker’s Books Evidence Act, 1891 and the Reserve Bank of India Act, 1934 and for matters connected therewith or incidental thereto.

WHEREAS the General Assembly of the United Nations by resolution A/RES/51/162, dated the 30th January, 1997 has adopted the Model Law on Electronic Commerce adopted by the United Nations Commission on International Trade Law; and whereas the said resolution recommends inter alia, that all States give favourable consideration to the said Model Law when they enact or revise their laws, in view of the need for uniformity of the law applicable to alternatives to paper-based methods of communication and storage of information; AND WHEREAS it is considered necessary to give effect to the said resolution and to promote efficient delivery of Government services by means of reliable electronic records. Further, the Information Technology (Amendment) Act, 2008, which came into force on October 27, 2009, amended the IT Act and inter alia gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability.

## **2. The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules 2011**

Recently, the Department of Information Technology under the Ministry of Communications & Information Technology, GoI notified the Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011 in respect of section 43A of the IT Act (the “Personal Data Protection Rules”) and the Information Technology (Intermediaries guidelines) Rules, 2011 in respect of section 79(2) of the IT Act (the “Intermediaries Rules”).

## **3. Information Technology (Intermediate) Rules**

The Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not host, publish, transmit or share any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it. Further, the Department of Personnel and Training under the Ministry of Personnel, Public Grievances and Pensions, GoI has proposed to introduce a new legal framework that would balance national interest with concerns of privacy, data protection and security.

### **LAWS REGULATING LABOUR AND EMPLOYMENT:**

#### **1. The Payment of Bonus Act, 1965 (POB Act)**

The POB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

#### **2. Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule.

#### **3. The Employees State Insurance Act, 1948 (ESI Act)**

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

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

The Payment of Gratuity Act, 1972 was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered for his long and meritorious service, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years: On his/her superannuation; or On his/her retirement or resignation; or On his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply).



## 5. The Maternity Benefit Act, 1961

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women in certain establishments for certain periods and to ensure that they get paid leave for a specified period before and after childbirth, or miscarriage or medical termination of pregnancy. It inter alia provides for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women.

## 6. The Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc.

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

The SHWW Act provides for the protection of women and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee.

## 8. Employees Provident Fund And Miscellaneous Provisions Act, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### TAX RELATED LEGISLATIONS:

#### 1. Income Tax Act, 1961

The Income-tax Act, 1961 ("IT Act") is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax,

Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

## 2. Central Goods and Services Tax Act, 2017 (the "GST Act")

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combine the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST will be levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India will adopt a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state will be levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax, therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

### LAWS RELATING TO INTELLECTUAL PROPERTY:

#### 1. The Trademarks Act, 1999 ("Trademarks Act")

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A mark may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the Registrar"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favouring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner.

#### 2. Indian Copyright Act, 1957 (Copyright Act)

The Copyright Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization. While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner.

Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years. The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner.

## **IMPORTANT GENERAL LAWS:**

### **1. The Companies Act, 2013**

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013. Further, the Ministry of Corporate Affairs has notified Companies Amendment Act, 2017 amending various sections of the Companies Act, 2013 which came into force on February 9, 2018.

### **2. Competition Act, 2002 ("Competition Act")**

The Competition Act aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India ("Competition Commission") which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

### **3. The Negotiable Instruments Act, 1881(NI Act)**

In India, the laws governing monetary instruments such as cheques are contained in the NI Act, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid.

### **4. The Sale of Goods Act, 1930 (Sale of Goods Act)**

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. According to the provisions of this Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer. The Act further provides that the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by installments or that the delivery or payment or both shall be postponed. Provisions are made in this Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer's right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc.

## **5. The Consumer Protection Act, 1986 (COPRA)**

COPRA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels.

## **6. Shops and Establishments legislations in various States**

Company is governed by the various Shops and Establishments legislations, as applicable, in the states where it has its branch offices. These legislations regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

## **7. The Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as “void” or “voidable”. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

## **8. The Indian Stamp Act, 1899**

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

## HISTORY AND CERTAIN CORPORATE MATTERS

### *History of our Company*

Our Company was originally incorporated in Ahmedabad as “Salebhai Internet Private Limited” on April 06, 2015 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. A fresh certificate of incorporation consequent upon conversion of Company to “Salebhai Internet Limited” was issued on February 12, 2018 by the Registrar of Companies, Ahmedabad, Gujarat. The Company’s Corporate Identity Number is U51101GJ2015PLC082801.

Salebhai.com is an Indian e-commerce portal that enables people living away from home to order a range of specialties directly from their hometowns. It is also a one-stop solution for those who want to discover regional products from across India. People can pick from a wide variety of delicious consumable items like sweets, namkeen, chocolates, bakery, spices, dry fruits, beverages, and pickles. Salebhai also offers other products such as handicrafts, paintings, puja items, handloom goods, and herbal & wellness items.

The unique enterprise was launched on 15<sup>th</sup> September, 2015 by Vishwa Vijay Singh, Purba Kalita, and Mr. Anandprakash Varani, after they identified a market gap, led by people migrating within Indian and abroad and goods representing their culture were mostly in short supply. After studying migration trends among Indian citizens, it was observed that most people moved to fast growing cities like Ahmedabad, Bangalore, Chennai, Delhi, Kolkata, and Mumbai – either due to employment opportunities, education, or marriage. The data on migration in the 2011 Census also revealed that 2 out of every 5 Indians are migrants, which make for a whopping 40% Diaspora population.

The market gap also demonstrated that migration created a void in people’s lives. Therefore, driven by back-to-roots philosophy, this E-commerce marketplace focuses on requirements of over 17 Diaspora communities living in big Indian cities as well as those who live abroad. With 8500 products sourced from over 100 cities and 300 select vendors, the company provides people with an opportunity to buy products in various categories from sellers across India as well as discover new items from different communities and cultures.

Furthermore, the products available on Salebhai.com are priced exactly as displayed on at the shops where they are available. All products listed on this platform come with detailed description, which include – popularity, benefits, facts, place of origin, usage, etc. Apart from these, all consumable products come with serving ideas from reputed chefs. The platform also lists complete information about vendors such as their history, lineage, and reputation.

Salebhai.com plans to further deepen its offerings to customers by penetrating into smaller towns for sourcing, will widen its our offering by adding new categories which that are missed by people. The company has a strong team which consists of professionals with proven expertise in IT, marketing, content development, innovation, disruptive thinking, channel management, logistics, and customer support.

For details on the government approvals, please refer to the chapter titled “**Government and Other Approvals**” on page no. 196 of this Draft Prospectus.

For further details of our Company's activities, services and the growth of our Company, please refer to the chapters titled “**Business Overview**” and “**Management's Discussion and Analysis of Financial Conditions and Results of Operations**” beginning on page nos. 110 and 187 respectively of this Draft Prospectus.

The total number of members of our Company as on the date of filing of this Draft Prospectus is 71 (Seventy one only). For further details, please refer the chapter titled '**Capital Structure**' beginning on page no. 54 of this Draft Prospectus.

### Registered Office

The registered office of the Company is situated at 307-A,C/o SafalPegashis, Opp. Kiran Motors,100ft Road, Opp: Rivera Bungalows, Prahalad Nagar, Vejalpur Ahmedabad Gujarat – 380015 and IT set up situated at 204, Dwarkesh Complex, Off. Sun Pharma Road, Old Padra Road, Atladara, Vadodara, Gujarat – 390012. Since incorporation, the registered office address has remained the same and there is no change in the registered office address as on the date of filing this Draft Prospectus. For further details of our Properties, please refer to the chapter titled “**Business Overview**” beginning on page no.110 of this Draft Prospectus.

### Main object of the company

To carry on the business to online web based marketing, exporter, importer, traders, buyers, sellers, merchant, agents, dealers, distributors, commission agents, auctioneer, online traders, brokers, stockiest, factors, consignors, collaborators, franchisers, concessionaire, consultant, advisors, manufacturer’s representative and other wise to deal in all kinds, classes, size, nature and description of Industrial, Commercial, Consumer, Capital Goods, Item, Things, Articles, Commodities, Merchandise, Products weather finished, semi-finished or raw material including Engineering Goods, Equipments, Apertures, Home-Appliances, Household, Automobiles, Electrical and electronic goods, Computer Hardware, Software, software, networking, M. T., I. T. enabled services, E Mail, E Commerce, Mobile Computing, Mobile E - Mail Services, Web Designing, Web hosting, Website Analytics, Pay per click search advertising, Search engine optimization, Digital Strategy, call centers, medical transcription, WAP and to undertake the turnkey projects for the same.

### MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Date	Event
April 06, 2015	Incorporation of Salebhai Internet Private Limited
September 2015	Launch of website www.salebhai.com
September 2015	Started shipment of prasad from ISKCON temple on Janmashtami all over India
December 2015	Shipped first 1000 orders
March 2016	Started delivery of mangoes for the first time in online market from their original source location, served for the whole season various varieties such as alphanso, kesar, dussheri, banganapalli, langda.
August 2016	Recognised as one of the ‘Top 5 Rising Startups in India’ by Tech in Asia
August 2016	Official launch of SaleBhai Android app
August 2016	Launch of our Defence Special: ours is the only website with a dedicated page for defence personnel and their families ( <a href="https://www.salebhai.com/defence">https://www.salebhai.com/defence</a> )
June 2016	Customers turned Investors in Salebhai and purchased equity stake in the company
July 2016	Investment by Brand Capital, Times Group’s investment arm
August 2016	Started international delivery on the occasion of Raksha Bandhan reaching out to Indian community in overseas market
January 2017	Recognised as ‘Top 100 Startups in India to Watch in 2017’ by SutraHR
August 2017	First 20,000 app downloads
November 2017	Won the Jury Recommendation Award for Value360 for ‘Best Use of PR by a Brand (Metro Only) given by IPRCCA
November 2017	Crossed the count of 3.4 lakhs visitors on our website and application.
December 2017	Shipped first 50000 orders
February 2018	Conversion from Salebhai Internet Private Limited to Salebhai Internet Limited
February 2018	First 1 lakh registered users
February 2018	First 60,000 app downloads



### ***Amendments to the MOA of our Company since Incorporation***

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

<b>Sr. No.</b>	<b>Changes In M.O.A</b>	<b>Date &amp; Type of Meeting</b>
1.	Increase in authorised capital from Rs. 1,00,000 divided into 10,000 Equity Shares of Rs.10 each to Rs. 1,00,00,000 divided into 10,00,000 Equity Shares of Rs.10 each	April 13, 2016; EGM
2.	Change in the name of Company from “Salebhai Internet Private Limited” to “Salebhai Internet Limited” consequent upon Conversion of Company	February 01, 2018; EGM
3.	Increase in authorised capital from Rs. 1,00,00,000 divided into 10,00,000 Equity Shares of Rs.10 each to Rs. 6,50,00,000 divided into 65,00,000 Equity Shares of Rs.10 each	09 <sup>th</sup> March, 2018
4.	Increase in authorised capital from 6,50,00,000 divided into 65,00,000 Equity Shares of Rs.10 each to 9,00,00,000 divided into 90,00,000 Equity Shares of Rs.10 each	28 <sup>th</sup> March, 2018

#### ***Subsidiaries and Holding Company:***

Our Company is not a subsidiary of any company. Further, as on the date of this Draft Prospectus our Company does not have any subsidiary company.

Our Company has no holding company as on the date of filing of this Draft Prospectus.

#### ***Promoters of our Company:***

The Promoters of our Company are Mr. Vishwavijay Singh, Mr. Anandprakash Varani and Mrs. Purba Kalita. For details, please refer to the Chapter titles “Our Promoters and Promoter Group” beginning on page no. 153 of this Draft Prospectus.

#### ***Fund raising through equity or debt:***

For details in relation to our fund raising activities through equity and debt, please refer to the chapters titled “**Restated Financial Statement**” and “**Capital Structure**” beginning on page nos. 165 and 54, respectively, of this Draft Prospectus.

#### ***Revaluation of assets:***

Our Company has not revalued its assets since its incorporation.

#### ***Changes in the activities of Our Company having a material effect***

Other than as mentioned above in the chapters titled “**Business Overview**” and “**History and Corporate Structure**” beginning on page nos. 110 and 135 respectively, of this Draft Prospectus, there has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors.

#### ***Details of Past Performance***

For details in relation to our financial performance in the previous two financial years, including details of nonrecurring items of income, please refer to the section titled “**Financial Information**” beginning on page no. 165 of this Draft Prospectus.



***Injunctions or Restraining Orders:***

There are no injunctions/ restraining orders that have been passed against the Company.

***Mergers and acquisitions in the history of our Company***

There has been no merger or acquisition of businesses or undertakings in the history of our Company and we have not acquired any business/undertakings till date.

***Defaults or Rescheduling of borrowings with financial institutions/banks:***

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

***Strikes and lock-outs:***

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

***Time and cost overruns in setting up projects:***

As on the date of this Draft Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

***Number of Shareholder in the Company***

Our Company has 71 (Seventy one only) shareholders, as on the date of this Draft Prospectus. For further details of our shareholding pattern, please see Chapter titled “***Capital Structure***” beginning on page no. [redacted] of this Draft Prospectus.

***Shareholders' agreement:***

As on the date of this Draft Prospectus, our company does not have any shareholders' agreement.

***Other Agreements:***

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business as on the date of filing of this Draft Prospectus.

***Strategic/ Financial Partners:***

Our Company does not have any strategic/Financial partner(s) as on the date of this Draft Prospectus.

***Corporate Profile of our Company***

For details on the description of our Company’s activities, the growth of our Company, please see “*Business Overview*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” and “*Basis for Issue Price*” Beginning on pages nos. 54, 187 and 93 of this Draft Prospectus.

***Other declarations and disclosures***

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, our Company has not made any Public Issue or Rights Issue (as defined in the SEBI (ICDR) Regulations) in the past. No action has been taken against our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

## OUR MANAGEMENT

Currently, our Company has 6 (Six) Directors. We confirm that the composition of our Board of Directors complies with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

### The Board of Directors of our Company

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Prospectus:

<b>NAME : MR. VISHWAVIJAY SINGH</b>	<b>NAME : MR. ANANDPRAKASH VARANI</b>
DOB : 01/05/1976	DOB : 18/11/1968
AGE: 41 Years	AGE: 49 Years
DIN : 05275900	DIN : 02183747
PAN : ANXPS8119C	PAN : AAKPV1523D
Designation: Managing Director & CEO	Designation: Executive Director & CFO
Address: D-51, Sachin Tower, Nr. Shayamal Cross Road, Satellite, Ahmedabad, Gujarat-300015.	Address: A-3, Viram Apartment, Nr. Sheth C.N. Vidyalay, Ambavadi, Ahmedabad, Gujarat-380006.
Experience : 19 years	Experience : 28 Years
Occupation : Business	Occupation : Business
Qualification: Master of Business Administration	Qualification: Post Graduate Diploma in Management
Appointment: 06/04/2015	Appointment: 06/04/2015
Change in Designation as Managing Director: 08/02/2018	Change in Designation as CFO in addition to the Directorship: 08/02/2018
Date of Expiry of Term of Office: 07/02/2023 (5 Years)	Date of Expiry of Term of Office: Liable to retire by rotation
Holding : 24,92,220 Shares	Holding : 6,47,930 Shares
Other Directorships: 1) Stud Farm Infrastructure Private Limited 2) Salebhai Exim Private Limited	Other Directorships: 1) Stud farm infrastructure Private limited 2) Salebhai Exim Private Limited
<b>NAME : MR. PRAMOD RAO</b>	<b>NAME : MRS. PURBA KALITA</b>
DOB : 09/10/1978	DOB : 18/07/1975
AGE: 39 Years	AGE: 42 Years
DIN : 01789413	DIN : 08065129
PAN : AKPPR9816C	PAN : AJZPK1747L
Designation: Independent Director	Designation: Executive Director
Address : 10 Pratham enclave, Sun pharma road, atladra, Vadodara, Gujarat-390012.	Address : F-3 DGQA, Officers, Enclave, J C Nagar, Bangalore – 560006.
Experience : 15 Years	Experience : 18 Years
Occupation : Business	Occupation : Business
Qualification: Master of Computer Application	Qualification: Master of philosophy
Appointment: 08/02/2018	Appointment: 08/02/2018
Change in Designation: N.A.	Change in Designation: N.A.
Date of Expiry of Term of Office: 07/02/2019 (1 Year)	Date of Expiry of Term of Office: Liable to retire by rotation
Holding : NIL	Holding : 2,00,000 Shares
Other Directorships: 1) Expedite Solutions Private Limited	Other Directorships: NIL

2) Expedite Motor Solutions Private Limited 3) Hyper Edge Mobile Food Solutions Private Limited 4) Expedite Motor Solutions Ahmedabad Private Limited	
<b>NAME : MR. VIRENDRASINGH SHEKHAWAT</b>	<b>NAME : MRS. DIPTI UDANI</b>
DOB : 30/06/1974	DOB : 26/08/1975
AGE: 43 Years	AGE: 42 Years
DIN : 06981792	DIN : 08064564
PAN : ARPPS9047K	PAN : ALUPP1994R
Designation: Independent Director	Designation: Independent Director
Address : 1 – B/ 301, Neighbourhood CHS Ltd., Akurli Road, Lokhandwala Township, kandiwali (East), Mumbai – 400101.	Address : 702 – Vinayak Kunj, Plot No. 172, Nehru Road, Vile Parle (East), Mumbai – 400057.
Experience : 16 Years	Experience : 17 Years
Occupation : Business	Occupation : Service
Qualification: Master of Business Administration	Qualification: Diploma In Architecture
Appointment: 08/02/2018	Appointment: 08/02/2018
Change in Designation: N.A.	Change in Designation: N.A.
Date of Expiry of Term of Office: 07/02/2019 (1 Year)	Date of Expiry of Term of Office: 07/02/2019 (1 Year)
Holding : NIL	Holding : NIL
Other Directorships: 1) Spinn Decor Private Limited	Other Directorships: NIL

*As on the date of this Draft Prospectus:*

*1. None of the above mentioned Directors are on the RBI List of willful defaulters as on date of this Draft Prospectus.*

*2. None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or Our Company are debarred by SEBI from accessing the capital market.*

*3. None of the Promoters, Directors or persons in control of our Company, have been or are 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.*

*4. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Draft Prospectus or (b) delisted from the stock exchanges.*

**Brief Profile of the Directors of our Company**

#### **PROMOTER DIRECTOR**

##### **Mr. Vishwavijay Singh**

**Mr. Vishwavijay Singh**, aged 41 years is the Managing Director & Chief Executive Officer of our Company. He is one of the founding promoters of our Company. He has completed his Master of Business Administration (MBA) from University of Gujarat. He has 19 years of post qualification experience in sales & marketing in companies such as Airtel, Nerolac & ICICI Lombard. He was part of the retail team at ICICI Lombard (as Vice President motor business) which grew from \$10m to \$400m in six years. He handles the overall functioning of

the company with direct involvement in sales, marketing, strategy, logistics, business development, and product categories.

#### **Mr. Anandprakash Varani**

**Mr. Anandprakash Varani**, aged 49 years is the Executive Director & Chief Financial Officer of our Company. He is one of the promoters and Co-founder of our Company. He has completed Postgraduate diploma in Business Management (PGDM) from Nirma Institute of Management and LLB from Gujarat University. He has more than two decades of work experience in diverse industries, including 10 years in Finance. He has worked with companies such as Electrotherm, Mannesmann Rexroth (currently known as Bosch Rexroth), Airtel & Axis Bank's asset division. Since the last 10 years, he has been active in Finance and Accounts. He has a good track record of business development & demonstrated ability to work in challenging conditions. He plays a crucial role in the finance, banking, accounting and HR activities of the Company.

#### **Mrs. Purba Kalita**

**Mrs. Purba Kalita**, aged 42 years is the Executive Director & Head of Content & Communications Department of our Company. She is one of the promoters and Co-founders of our Company. She has completed M. Phil (Comparative Literature) from School of Languages, Gujarat University. She has more than 18 years of experience in content development. She was a journalist for 12 years, 9 years of which with The Times of India. In 2012, she moved to business communications and worked closely with the team that launched Flipkart Marketplace. She handles overall communication, content development, social media, campaigns & PR activity of the company.

#### **OTHER DIRECTORS**

##### **Mr. Virendra Shekhawat**

**Mr. Virendra Shekhawat**, aged 43 years is the Non-Executive Independent Director of our Company. He has completed his Bachelor of Science and Master of Business Administration (MBA) from Dr. Babasaheb Ambedkar Marathwada University. He has a professional experience of 16 years with companies such as Perfetti, Airtel, Nerolac, and Hungama in the field of sales, marketing, and distribution. He is a founder of Spinn Decor Private Limited. He plays advisory role in marketing, product management and advertising of the company.

##### **Mrs. Dipti Udani**

**Mrs. Dipti Udani**, aged 42 years is the Non-Executive Independent Director of our Company. She has completed her B.E in Architecture from Arvindbhai Patel Institute of Environmental Design. She has 17 years of experience as an architect and Interior designer. She has also worked with two firms for architectural competency in New York, USA - one of which was Southern Consulting Engineering where she was involved with policy-making and administrative issues. She has been a visiting faculty in LG Architecture College, Ahmedabad on the subjects of design and communication skills.

##### **Mr. Pramod Rao**

**Mr. Pramod Rao**, aged 39 years is the Non-Executive Independent Director of our Company. He has completed his Master of Computer Application from Sardar Patel University, Anand. He began his professional journey with Polaris where he worked for 3 years as a software professional before starting Expedite Solutions Private Limited in 2007. He has developed over 400 websites and has worked on platforms such as Java & Dot Net. Some of his noteworthy products include auto E file – a tax preparation software for accountants and CPAs in the US. He has vast experience in website development. He advises on the latest technology & new trends.

## RELATIONSHIP BETWEEN DIRECTORS

None of the other directors are related to each other and have any family relationships.

## Borrowing Powers of our Board of Directors

Our Company at its Extra-Ordinary General Meeting held on March 28, 2018 passed a resolution authorizing Board of Directors pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 for borrowing from time to time any sum or sums of money from any person(s) or bodies corporate (including holding Company) or any other entity, whether incorporated or not, on such terms and conditions as the Board of Directors may deem fit for the purpose of the Company's business. The monies so borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained from the banks in the ordinary course of business) may exceed the aggregate of the paid up share capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of such borrowings together with the amount already borrowed and outstanding shall not, at any time, exceed Rs. 50 crores.

## Remuneration/ Compensation of our Directors

Set forth below is the remuneration received by our Directors in FY 2018.

Sr. No.	Name of Director	Designation	Amt (Rs. In Lakhs)(p.a.)
1.	Mr. Vishwavijay Singh	Managing Director& CEO	NIL
2.	Mr. Anandprakash Varani	Executive Director & CFO	NIL
3.	Mrs. Purba Kalita	Executive Director & HCCD	12.60

## Terms and conditions of employment of our Managing Director

Mr. Vishwavijay Singh, Managing Director& Chief Executive Officer

Mr. Vishwavijay Singh, was designated as the Managing Director for a term of five years commencing, w.e.f. 08<sup>th</sup> February, 2018.

Compensation of our Managing Director – NIL

## Non-Executive and Independent Directors

Our Independent Directors and Non-Executive Directors are entitled to sitting fees for attending meetings of the Board, or of any committee of the Board.

We also confirm that no remuneration being paid to independent directors.

## Shareholding of Directors in our Company

Our Articles of Association does not require our Directors to hold qualification shares. As on date of filing of this Draft Prospectus, except the following, none of our Directors hold any Equity Shares of our Company:

Sr. No.	Name of the Directors	Designation	No. of Shares held in our Company	% of pre-issue paid-up Equity Share Capital
1.	Mr. Vishwavijay Singh	Managing Director& CEO	24,92,220	39.93%
2.	Mr. Anandprakash Varani	Executive Director & CFO	6,47,930	10.38%
3.	Mrs. Purba Kalita	Executive Director & HCCD	2,00,000	3.20%
	<b>TOTAL</b>		<b>33,40,150</b>	<b>53.51%</b>

***Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the BSE / NSE and reasons for suspension***

None of our Directors is/ was a Director in any listed company during the last five years before the date of filing this Draft Prospectus, whose shares have been/ were suspended from being traded on the BSE and NSE.

***Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting***

None of our Directors is or was a director on any listed companies which have been or were delisted from any stock exchange during the term of their directorship in such companies.

None of our Directors is or was a director of any listed companies during the five years immediately preceding the date of filing of this Draft Prospectus and until date, whose shares have been or were suspended from being traded on any stock exchange during the term of their directorship in such companies.

***Interest of Directors***

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Director of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/ paid or any loans or advances provided to any body corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of equity shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the Issue and also to the extent of any dividend payable to them and other distribution in respect of the said equity shares.

The Directors may also be regarded as interested in the equity shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/ or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the equity shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as directors, members, partners and promoters, pursuant to the Issue.

All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Director himself or other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

***Interest in promotion of Our Company***

Except for, being Promoters and to the extent to remuneration received/ to be received, none of our Directors have any interest in the promotion of our Company.

**Interest in the property of Our Company**

Our IT Setup Office is situated at 10, Pratham Enclave, Sun Pharma Road, Atladara, Vadodara – 390012, Gujarat, which is taken on Leave and License basis from Mr. Pramod Rao who is an Independent Director of our Company at monthly rent of Rs. 10,000/-

Except as stated above, our Directors have no interest in any property acquired or proposed to be acquired by our Company in the preceding two years from the date of this Draft Prospectus nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

**Interest in the business of Our Company**

Further, save and except as stated otherwise in ‘Annexure XX: Statement of Related Parties’ Transactions’ in the chapter titled ‘Restated Financial Statement’ beginning on page no. 182 of this Draft Prospectus, our Directors do not have any other interests in our Company as on the date of this Draft Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the directors was selected as a director or member of senior management.

**Details of Service Contracts**

However, there is no service contracts entered into with any Directors for payments of any benefits or amount upon termination of employment.

**Bonus or Profit Sharing Plan for the Directors**

There is no bonus or profit sharing plan for the Directors of our Company.

**Contingent and Deferred Compensation payable to Directors**

No Director has received or is entitled to any contingent or deferred compensation.

**Changes in the Board for the last three years**

Except as mentioned below, there has been no change in the Board of Directors during the last three (3) years:

	Name	Designation	Date Of Appointment	Date Of Cessation	Remarks
1.	Mrs. Priyanka Singh	Director	-	08-02-2018	Resignation
2.	Mr. Gopal Shukla	Director	-	08-02-2018	Resignation
3.	Mrs. Purba Kalita	Director	08-02-2018	-	Appointment
4.	Mr. Virendrasingh Shekhawat	Independent Director	08-02-2018	-	Appointment
5.	Mrs. Dipti Udani	Independent Director	08-02-2018		Appointment
6.	Mr. Vishwavijay Singh	Managing Director	08-02-2018		Change in designation
7.	Mr. Pramod Rao	Independent Director	08-02-2018		Appointment



### Corporate Governance

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. Further, our Company undertakes to comply with all the necessary requirements relating to Corporate Governance as prescribed under Companies Act, 2013 and SEBI Regulations.

However, our Company is in compliance with the corporate governance code in accordance with Companies Act, 2013, particularly those relating to composition of Board of Directors, constitution of committees such as Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas.

In addition to the applicable provision of the Companies Act, 2013 with respect to corporate governance, the provisions of the SEBI(LODR) Regulations, 2015 will be not be applicable to our Company upon the listing of the Equity Shares on SME Platform of BSE and is exempted from following corporate governance norms of SEBI (LODR), Regulations, 2015.

### Composition of Board of Directors

Currently, our Board has six (6) Directors. In compliance with the requirements of the Companies Act we have three (3) Executive Directors and three (3) Non-Executive Independent Directors including Women Director on our Board.

In terms of Companies Act, 2013, our Company has constituted the following Committees of the Board:

- 1) Audit Committee;
- 2) Nomination and Remuneration Committee; and
- 3) Stakeholders Relationship Committee;

### Audit Committee

The Audit Committee was constituted *vide* Board resolution dated March 30, 2018. As on the date of this Draft Prospectus the Audit Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Virendrasingh Shekhawat	Chairman	Independent director
Mrs. Dipti Udani	Member	Independent director
Mr. Anandprakash Varani	Member	Executive Director & CFO

Our Company Secretary, Ms. Chitra Thaker is 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.

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

- 5) 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
  - Qualifications in the draft audit report.
- 6) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- 7) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document//notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 8) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 9) Approval or any subsequent modification of transactions of the company with related parties;
- 10) Scrutiny of inter-corporate loans and investments;
- 11) Valuation of undertakings or assets of the company, wherever it is necessary;
- 12) Evaluation of internal financial controls and risk management systems;
- 13) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 14) 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.
- 15) Discussion with internal auditors any significant findings and follow up there on.
- 16) 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.
- 17) 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.
- 18) 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.
- 19) To review the functioning of the Whistle Blower mechanism.
- 20) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- 21) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**The Audit Committee enjoys following powers:**

- a) To investigate any activity within its terms of reference
  - b) To seek information from any employee
  - c) To obtain outside legal or other professional advice
  - d) To secure attendance of outsiders with relevant expertise if it considers necessary
- The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

### **Quorum and Meetings**

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 either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. The Company Secretary of the Company acts as the Secretary to the Committee.

### **Nomination and Remuneration Committee**

The constitution of the Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on March 30, 2018.

As on the date of this Draft Prospectus the Remuneration Committee consists of the following Directors:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Mrs. Dipti Udani	Chairman	Independent director
Mr. Virendrasingh Shekhawat	Member	Independent Director
Mr. Pramod Rao	Member	Independent director

Our Company Secretary, Ms. Chitra Thaker is the secretary of the Nomination and Remuneration Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) Formulation of criteria for evaluation of Independent Directors and the Board;
- 3) Devising a policy on Board diversity;
- 4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
- 5) To recommend to the Board, the remuneration packages i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc. of the executive directors;
- 6) To implement, supervise and administer any share or stock option scheme of our Company; and
- 7) To attend to any other responsibility as may be entrusted by the Board within the terms of reference.

### **Quorum and Meetings**

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Company Secretary of our Company acts as the Secretary to the Committee. The Committee is required to meet at least once a year.

## Stakeholders Relationship Committee

The Stakeholders Relationship Committee have been formed by the Board of Directors at the meeting held on March 30, 2018.

As on the date of this Draft Prospectus the Stakeholders Relationship Committee consists of the following

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Pramod Rao	Chairman	Independent director
Mrs. Dipti Udani	Member	Independent director
Mrs. Purba Kalita	Member	Executive Director

Our Company Secretary, Ms. Chitra Thaker is the secretary of the Stakeholder's Committee.

This Committee will address all grievances of Shareholders and Investors in compliance with provisions of section 178 (5) of the Companies Act, 2013 and its terms of reference include the following:

1. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares;
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
3. Allotment of shares, monitoring and approving transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers; and
7. Carrying out any other function contained in the SEBI (LODR) Regulations as and when amended from time to time.

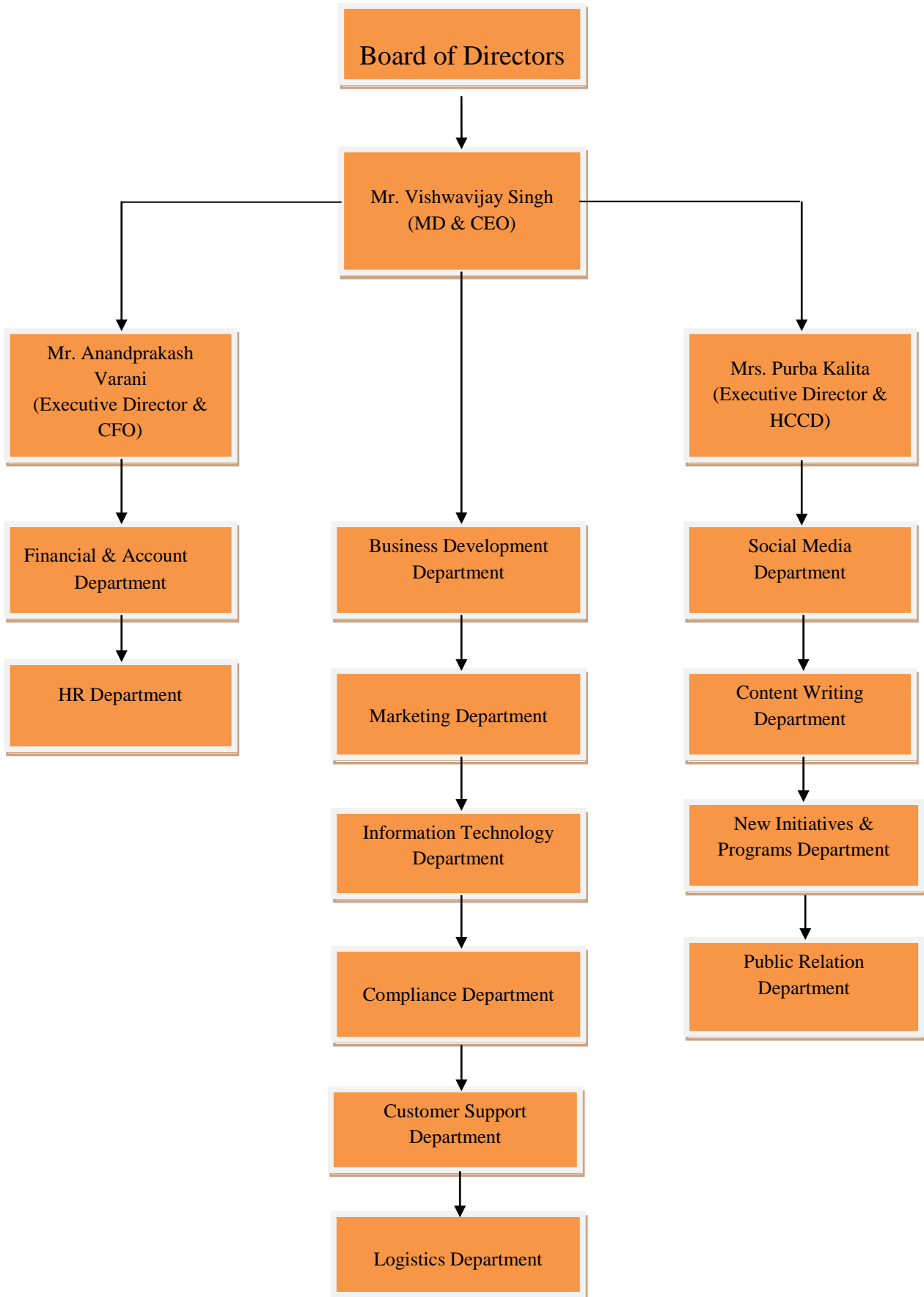
## Quorum and Meetings

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. The Company Secretary of our Company acts as the Secretary to the Committee.

## Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchanges. Our Company Secretary, Ms. Chitra Thaker, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of price sensitive information and in the implementation of the code of conduct under the overall supervision of the Board.

**ORGANIZATIONAL STRUCTURE OF THE COMPANY**



## KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Name	Designation	Age	Qualification	Exp. In Yrs	Date Of Joining	Functional Responsibility	Current CTC (Rs. In Lakhs)	Previously Employed
Mr. Vishwavijay Singh	Managing Director & Chief Executive Officer	41 Years	Master of Business Administration	19 Years	20-02-2018	Handles the overall functioning of the company with direct involvement in sales, marketing, strategy, logistics, business development, and product categories.	NIL	1) Airtel 2) Nerolac 3) ICICI Lombard
Mr. Anandprakash Varani	Chief Financial Officer	49 Years	Post Graduate Diploma in Management and LLB	28 Years	08-02-2018	Handles the finance, banking, accounting and HR activities of the Company.	NIL	1) Electrotherm (India) Limited 2) Mannesmann Rexroth (India) Limited 3) Bharti Cellular Limited 4) UBL 5) Reality Dreams Consultancy Services Pvt. Ltd.
Mrs. Purba Kalita	Head of Content & Communications Department	42 Years	Master of Philosophy (Comparative Literature)	18 Years	06-04-2015	Handles overall communication, content development, social media, campaigns & PR activity of the company.	12.60	1) The Times of India 2) Flipkart
Ms. Chitra Thaker	Company Secretary	25 Years	Company Secretary	1 Year	30-03-2018	Handles all secretarial	2.53	1) Vivanta Industries

Name	Designation	Age	Qualification	Exp. In Yrs	Date Of Joining	Functional Responsibility	Current CTC (Rs. In Lakhs)	Previously Employed
	& Compliance Officer		from ICSI			compliance related to Company		Limited

**Notes:**

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.
- None of the Key Managerial Personnel are “related” to each other or to the Promoters or Directors of our Company as defined under the Companies Act, 2013.

***Bonus and/ or Profit Sharing Plan for the Key Managerial Personnel***

Our Company does not have any bonus and/ or profit sharing plan for the Key Managerial Personnel. However, Our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

***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.

***Shareholding of the Key Managerial Personnel other than the Directors***

None of our KMPs other than the Directors holds any Equity Shares of our Company as on date of filing of this Draft Prospectus.

***Interest of Key Managerial Personnel***

None of our key managerial personnel has any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business.

Our key managerial personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such key managerial personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

None of our key managerial personnel has been paid any consideration of any nature, other than their remuneration.

***Changes in Key Managerial Personnel during the last three years***



Following have been the changes in the Key Managerial Personnel during the last three years:

Name	Designation	Date Of Appointment	Date Of Cessation	Remarks
Mr. Vishwavijay Singh	Managing Director & Chief Executive Officer	20-02-2018	-	Change in designation as Managing Director & CEO
Mr. Anandprakash Varani	Chief Financial Officer	08-02-2018	-	Appointment
Ms. Chitra Thaker	Company Secretary & Compliance Officer	30-03-2018	-	Appointment

***Scheme of Employee Stock Options or Employee Stock Purchase (ESOP/ESPS SCHEME)***

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

***Employees***

As on the date of this Draft Prospectus, our Company has 27 employees including the Executive Directors. For details of the Employees/ Manpower of our Company, please refer to the paragraph titled 'Manpower' under the chapter titled “***Business Overview***” beginning on page no.110 of this Draft Prospectus.

***Loans to Key Managerial Personnel***

There are no loans outstanding against the Key Managerial Personnel as on the date of this Draft Prospectus.


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

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, we have not paid/ given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Draft Prospectus.


## OUR PROMOTERS & PROMOTER GROUP

The Promoters of our Company are:


### 1) MR. VISHWAVIJAY SINGH

	<b>Pan</b>	ANXPS8119C
	<b>Passport Number</b>	P6350246
	<b>Nationality</b>	Indian
	<b>Bank A/C Details</b>	ICICI Bank :- A/C no. 006701014765
	<b>Address</b>	D-51, Sachin Tower, Nr. Shayamal Cross Road, Satellite, Ahmedabad, Gujarat-300015.
	<b>Other Details</b> <b>E.C. Voter Id No.;</b> <b>U.I.D. No.;</b>	N.A. 8073 3100 5013

### 2) MR. ANANDPRAKASH VARANI

	<b>Pan</b>	AAKPV1523D
	<b>Passport Number</b>	N0049024
	<b>Nationality</b>	Indian
	<b>Bank A/C Details</b>	Axis Bank Ltd.:- A/C no. 058010100001083
	<b>Address</b>	A-3, Viram Apartment, Nr. Sheth C.N. Vidyalay, Ambavadi, Ahmedabad, Gujarat-380006.
	<b>Other Details</b> <b>E.C. Voter Id No.;</b> <b>U.I.D. No.;</b>	IIE2720498 4770 6938 3216

### 3) MRS. PURBA KALITA

	<b>Pan</b>	AJZPK1747L
	<b>Passport Number</b>	P3519339
	<b>Nationality</b>	Indian
	<b>Bank A/C Details</b>	ICICI Bank:- A/C no. 020401537814
	<b>Address</b>	F-3 DGQA, Officers, Enclave, J C Nagar, Bangalore – 560006.
	<b>Other Details</b> <b>E.C. Voter Id No.;</b> <b>U.I.D. No.;</b>	GJ/11/069/021842 8317 3950 7277

*For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and Directorships held in the past, please see the chapter titled “Our Management” beginning on page no. 139 of this Draft Prospectus and “Our Promoters and Promoter Group” beginning on page no.153 of this Draft Prospectus.*

*For details of the build-up of our Promoters' shareholding in our Company, please see "Capital Structure – Notes to Capital Structure" on page no. 54 of this Draft Prospectus.*

#### ***Other Declaration and Confirmations***

Our Company hereby confirms that the personal details of our Individual Promoter viz., Permanent Account Number, Passport Number and Bank Account Number have been submitted to BSE, at the time of filing this Draft Prospectus with them.

Our Promoters and Promoter Group Companies have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities. None of our Promoters was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Further, our Promoters have not been identified as a willful defaulter by RBI or any other Government authority and there are no violations of securities laws committed by the Promoters in the past or any such proceedings are pending against the Promoters.

#### ***Payment or Benefit to Promoters of Our Company***

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Draft Prospectus or is intended to be given by us except mentioned / referred to in this Chapter and in page no. 182 under Related Party Transactions, under the Section titled "***Financial Information of our company***" of this Draft Prospectus.

#### ***Common Pursuits Of Our Promoters***

Our Promoters have promoted our Group entities i.e.1) Stud farm infrastructure Private Limited and 2) Salebhai Exim Private Limited being company, established with different objective. For details please refer to chapter titled "***Our Promoters Group Companies***" beginning on page no. 153 of this Draft Prospectus.

Immediate relatives of our Promoters have not promoted any Group entities being company, established with similar objective.

Further, our promoters have not established any Limited Liability Partnership / Sole proprietor firm / HUF, established with similar objective.

However, as on the date of this Draft Prospectus, our Company has not signed any non-compete or any other agreement / document with any of above mentioned entities.

However, we cannot assure that our Promoters who have common interest in such other entities will not favor the interests of the said entities over our interest which may adversely affect our business operations. For details of our Promoter Group and Group Company/entities, please refer to Section titled "***Our Promoter Group and Group Companies / Entities***" beginning on page no.157 and page no. 182 under Related Party Transactions, under the Section titled "***Financial Information of our company***" of this Draft Prospectus.

## INTEREST OF PROMOTERS

### *Interest in promotion of Our Company*

Our Promoters jointly hold 33,40,150 Equity Shares aggregating to 53.52 % of pre-issue Equity Share Capital in our Company and they are interested to the extent that they have promoted our Company and to the extent of their shareholding in our Company & dividend payable thereon, if any. The Promoters of our company who may be deemed to be interested to the extent of remuneration, as per the terms of their appointment and reimbursement of expenses payable to them or sitting fees paid to them. Our Promoters may be interested to the extent of unsecured loans granted to our Company. Further our Promoters may also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners. Further they may be deemed to be interested to the extent of transactions carried on / payment made by our Company to the proprietorship firm / partnership firm / companies in which they are Proprietor/ Partner / Promoter and/or Directors. For further details, please refer to “*Related Party Transactions*” on page no. 182 and “*Interest of Directors*” on page no. 143 of this Draft Prospectus.

### *Interest in the property of Our Company*

Except as disclosed in the chapters titled “*Business Overview*” and “*Restated Financial Statements – Related Party Transactions*” beginning on page nos. 110 and 182 respectively of this Draft Prospectus, our Promoters do not have any interest in any property acquired two years prior to the date of this Draft Prospectus. Further, our Promoters are not currently interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

### *Interest as a creditor of Our Company*

Except as stated in the ‘*Annexure XX: Statement of Related Parties’ Transactions*’ beginning on page no.182 our Company has not availed any loans from the Promoters of our Company as on the date of this Draft Prospectus.

### *Interest as Director of our Company*

Except as stated in ‘*Annexure XX: Statement of Related Parties’ Transactions*’ beginning on page no.182 of this Draft Prospectus, our Promoters/ Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AOA.

### *Interest in transactions involving acquisition of land*

Our Promoters are not currently interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

### **Other Ventures of our Promoters**

Except as disclosed in the chapter titled ‘*Promoters and Group Companies*’ beginning on page no.157 of this Draft Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

### **Payment or benefit to Promoters**

For details of payments or benefits paid to our Promoters, please refer in the chapter titled '*Our Management*' beginning on page no.139 of this Draft Prospectus and as disclosed under '*Annexure XX: Statement of Related Parties' Transactions*' on page no. 182 of the chapter titled "*Restated Financial Statement*" beginning on page no.165 of this Draft Prospectus, there has been no payment or benefit to Promoters of our Company.

### **Related Party Transactions**

For details of related party transactions entered into by our Company, please refer to '*Annexure XX: Statement of Related Parties' Transactions*' on page no. 182 of the chapter titled '*Financial Information*' beginning on page no.165 of this Draft Prospectus.

### **Litigation details pertaining to our Promoters**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled "*Outstanding Litigations*" beginning on page no.194 of this Draft Prospectus.

## OUR PROMOTER GROUP AND GROUP COMPANIES

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

### 1. Natural Persons who are part of the Promoter Group

As per Regulation 2(zb)(ii) of the SEBI (ICDR) Regulations, 2009, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

Relationship	Mr. Vishwavijay Singh	Mr. Anand Varani	Mrs. Purba Kalita
Father	Mahesh Pratap Singh	—	Dr. Prakash Chandra Kalita
Mother	Savitri Singh	—	Dr. Shreelekha Kalita
Spouse	Priyanka Singh	Manila Varani	Col Utpal Kumar Sarma (Retd)
Brother	—	Ashok Kumar Varani Hemant Varani	Dr. Soumik Kalita
Sister	Purnima Singh Priya Singh	—	Dr. Moumi Kalita
Son	—	Amber Varani	Bhaswar Agnivesh
Daughter-in-Law	—	—	—
Daughter	Sharanya Singh Sadhya Singh	Vidhata Varani	Hladini Agnivesh
Son-in-Law	—	—	—
Spouse's Father	Ramashankar Singh	—	—
Spouse's Mother	—	—	—
Spouse's Sister	—	Bhagwanti Bharti Dodani Varsha Chandwani Rajkumari Lalwani Kajal Chetwani Kashish Shevaramani Simran Khushalani	Rumi Devi Bora Reena Katakya
Spouse's Brother	Abhishek Singh	Ashok Ahuja	Sisir Sarma

### 2. Corporate Entities or Firms forming part of the Promoter Group:

As per Regulation 2(zb)(iv) of the SEBI (ICDR) Regulations, 2009, the following entities would form part of our Promoter Group:

Nature of Relationship	Entity
Any Body corporate in which ten percent or more of the equity share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoter or any one or more of his immediate relative is a member.	1) Stud Farm Infrastructure Private Limited 2) Salebhai Exim Private Limited
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital.	None
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent of the total	1) Anand Varani HUF

### 3. Natural Person who is part of the Promoter Group

As per Regulation 2(zb)(v) of the SEBI (ICDR) Regulations, 2009, the Natural person who is part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, is as follows:

Particulars	Name
all persons whose shareholding is aggregated for the purpose of disclosing in the prospectus under the heading "shareholding of the promoter group".	Mr. Gopal Shukla

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purposes of identification of “ Group Companies” Our company has considered companies covered under the applicable Accounting Standard i.e. Accounting Standard 18 issued by Institute of Chartered Accountant of India and such other companies as considered material by the Board. Pursuant to Resolution Dated March 30, 2018 our board vide a policy of materiality has resolved that except as mentioned in related parties prepared in accordance with Accounting Standard 18 no Firm as mentioned below is material in nature.

#### Other entities forming part of Promoter Group

1. Anand Varani HUF

#### Details of Group Companies

The following companies, are promoted by our Promoters (including companies under the same management pursuant to Section 370 (1B) of the Companies Act) and thus, are our Group Companies as defined under Schedule VIII of the SEBI ICDR Regulations:

- 1) Stud Farm Infrastructure Private Limited; and
- 2) Salebhai Exim Private Limited

No equity shares of our above mentioned Group Companies are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years.

#### 1. Stud Farm Infrastructure Private Limited

<b>CIN</b>	: U45201GJ2012PTC070780
<b>Date of Incorporation</b>	: 18/06/2012
<b>Registered Office Address</b>	: B-311, Gopal Palace, Opp. Ocean Park, Shivranjani Road, Near Nehru Circle, Ahmedabad, Gujarat – 380015.
<b>Name of the Promoters</b>	: Vishwavijay Singh Priyanka Singh Anandprakash Varani

#### Main Object of the Company

The main objects of the Company to be pursued by the Company on its incorporation:

To develop, construct, execute, undertake, carry out, run, establish, maintain, improve, Manage, re-model, alter, work, control superintendent any land, plots, shopping mall, Hotels, clubs, restaurants, dwelling houses, commercial and residential complexes, road Ways, tramways, railways, railway platforms, transportation of solid, liquid or gaseous Form, airports, underground railroads, Transmission Towers, Light House, steamboats, Hotels, clubs, restaurants, parks, gardens, orchestra stands, amusement centers, Pavilions, schools, libraries,



reading-rooms, and rickshaw or other vehicle stands, places of worships, hospitals, cremation and burial grounds, dairy farms, tanks, reservoirs, Baths, dams, watercourses, waterworks, electric generating stations, electric works, Aqueducts, wharves, furnaces, saw mills, crushing works, hydraulic works, factories, Warehouses, shops, buildings, adit, levels, shafts, tunnels, bridges, cooling stations, Docks, ports, canals, coke oven, plant, engines machinery, mills, irrigations, Reclamations, improvement, sanitary, water, gas, telephonic and telegraphic works and/or Any other structural architectural work and any kind whatsoever and to contribute to, Subsidies, aid, assist or take part in any such operations.

### Interest of our Promoters and Promoter Group

Our Promoters and Promoter Group, Mr.Vishwavijay Singh holds 5,500 equity shares, Mrs. Priyanka Singh holds 2,000 and Mr. Anandprakash Varani holds 2,500 Equity shares constituting 100 % of the issued and paid up share capital of Stud Farm Infrastructure Private Limited.

### Board of Directors of the Company

Sr. No.	Name of the Directors	Age	DIN No.	Pan Card No.	Address
1.	Mr. Vishwavijay singh	41 Years	05275900	ANXPS8119C	D-51, Sachin Tower, Nr. Shayamal Cross Road, Satellite, Ahmedabad, Gujarat-300015.
2.	Mrs. Priyanka singh	37 Years	01727384	BJSPS1760D	D-51, Sachin Tower, Nr. Shayamal Cross Road, Satellite, Ahmedabad, Gujarat-300015.
3	Mr. Anandprakash varani	49 Years	02183747	AAKPV1523D	A-3, Viram Apartment, Nr. Sheth C.N. Vidyalay, Ambavadi, Ahmedabad, Gujarat-380006.

### Capital Structure of the Company

Particulars	No. of Equity shares of Rs. 10 each
Authorised Capital	10,000
Issued, Subscribed and Paid-up Capital	10,000

### Shareholding Pattern of the Company

Sr. No.	Name of the Shareholder	No. of Shares Held	% of Holding
1.	Vishwavijay Singh	5,500	55
2.	Pryanka singh	2,000	20
3.	Anandprakash varani	2,500	25
	<b>Total</b>	<b>10,000</b>	<b>100%</b>

### Brief Financials

(Amt. In Rs. )

Particulars	2016 – 17	2015 – 16	2014 - 15
Equity Capital	1,00,000	1,00,000	1,00,000
Reserves (excluding revaluation reserve) and Surplus	(2,52,45,705)	(2,51,22,487)	(2,49,99,346)
Net Worth	(2,51,45,705)	(2,50,22,487)	(2,48,99,346)
Income including other income	1,07,617	18,100	13,683
Profit/ (Loss) after tax	(1,23,218)	(1,23,141)	(91,86,631)

Particulars	2016 – 17	2015 – 16	2014 - 15
Earnings per share (face value of Rs. 10 each)	(12.32)	(12.31)	(918.66)
Net asset value per share	(2514.57)	(2502.25)	(2489.93)

### Changes in the Management and Control

There has been no change in the management and control of Stud Farm Infrastructure Private Limited in the three years preceding the date of this Draft Prospectus.

### Other Disclosures:

- Stud Farm Infrastructure Private Limited is not a listed Company.
- Stud Farm Infrastructure Private Limited is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues.
- No proceedings have been initiated for economic offences against Stud Farm Infrastructure Private Limited.
- No application has been made to ROC for striking off the name of Stud Farm Infrastructure Private Limited
- Stud Farm Infrastructure Private Limited has a negative net worth in the immediately preceding years.
- Stud Farm Infrastructure Private Limited is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

## 2. Salebhai Exim Private Limited

<b>CIN</b>	: U51909GJ2016PTC093290
<b>Date of Incorporation</b>	: 10/08/2016
<b>Registered Office Address</b>	: 307-A, C/O Safal Pegashis, Opp. Kiran Motors, 100 Ft. Road, Prahalad Nagar, Ahmedabad – 380015.
<b>Name of the Promoters</b>	: Vishwavijay Singh Anandprakash Varani

### Main Object of the Company

The main objects of the Company to be pursued by the Company on its incorporation:

To carry on the business as exporter, importer, traders, buyers, sellers, merchant, agents, dealers, distributors, commission agents, brokers, stockist, factors, consignors, collaborators, franchisers, concessionaire, consultant, advisors, manufacturer's representative, job worker, assembler, repairers and other wise to deal in all kinds, classes, size, nature and description of Industrial, Commercial, Consumer, Capital Goods, Item, Things, Articles, Commodities, Merchandise, Products whether finished, semi-finished or raw material including chemical, Engineering Goods, Equipments, Apertures, Home-Appliances, Household, Automobiles, Chemicals, Pigments, Colours, Paints and Varnishes, Electrical and electronic goods, Computer Hardware, Software, Gift Article, Toys, Readymade Garments, Fibers and Fabrics, Yam, Textile, Hosiery Goods, Foot wares, Decorative, Glass and Glass Products, Glass ware, Crockery, Beverages, Minerals, Fertilizers, Pesticides, Drugs, Medicines and Pharmaceuticals, Seeds, Food grains, Spices, Cereals, Flours, Fruits, Dry fruits, Vegetables, Herbal and Aurvedic Products, Agriculture produce and products, Milk and Dairy Products, Food products, Marine Products, Sugar and Sugar Products, Tea and Coffee, Tobacco, Cosmetics, Cement, Cement Product, Ceramics Products, Sanitary ware Salt, Dyes, Intermediates, Diamond, Gold, Jewelry, Novelty, Stationery, Ferrous and non-ferrous metals, Solvent, Oil edible and non-edible, Lubricants, fuel additive, Stones, Marbles and Granites,

Mining products, Plastic and Polymers products, Timber, Wood and Wooden article, Furniture, Petroleum product.

### Interest of our Promoters and Promoter Group

- Our Promoters and Promoter Group, Mr. Vishwavijay Singh holds 100 equity shares and Mr. Anandprakash Varani holds 9,900 Equity shares constituting 100 % of the issued and paid up share capital of Salebhai Exim Private Limited.

### Board of Directors of the Company

Sr. No.	Name of the Directors	Age	DIN No.	Pan Card No.	Address
1.	Mr. Vishwavijay singh	41 Years	05275900	ANXPS8119C	D-51, Sachin Tower, Nr. Shayamal Cross Road, Satellite, Ahmedabad, Gujarat-300015.
2	Mr. Anandprakash varani	49 Years	02183747	AAKPV1523D	A-3, Viram Apartment, Nr. Sheth C.N. Vidyalay, Ambavadi, Ahmedabad, Gujarat-380006.
3.	Mr. Gopal Shukla	39 Years	03372528	BWUPS1543K	A-90, Yogeshwar Park, Nr. Padam Park, Opp. Novino Battery, Vadodara, Gujarat-300015.

### Capital Structure of the Company

Particulars	No. of Equity shares of Rs. 10 each
Authorised Capital	10,000
Issued, Subscribed and Paid-up Capital	10,000

### Shareholding Pattern of the Company

Sr. No.	Name of the Shareholder	No. of Shares Held	% of Holding
1.	Vishwavijay Singh	100	01
2.	Anandprakash varani	9,900	99
	<b>Total</b>	<b>10,000</b>	<b>100%</b>

### Brief Provisional Financials

Since the company was incorporated in the F.Y. 2016-17, hence the Annual Reports are not available for Fiscal 2015-16 and 2014-15. However, the company is in process to file financials for the F.Y. 2016-17.

### Changes in the Management and Control

There has been no change in the management and control of Salebhai Exim Private Limited in the three years preceding the date of this Draft Prospectus.

### Other Disclosures:

- Salebhai Exim Private Limited is not a listed Company.
- Salebhai Exim Private Limited is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up.
- There are no defaults in meeting any statutory/bank/institutional dues.

- No proceedings have been initiated for economic offences against Salebhai Exim Private Limited.
- Salebhai Exim Private Limited does not have a negative net worth in the immediately preceding years.
- No application has been made to ROC for striking off the name of Salebhai Exim Private Limited.
- Salebhai Exim Private Limited is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities.

## **NATURE AND EXTENT OF THE INTEREST OF THE GROUP COMPANIES IN OUR COMPANY**

### **Common Pursuits/Conflict of Interest**

None of our Promoter /Group Companies /Entities have any common pursuits. For details please refer to chapter titled “Our Promoters Group Companies” beginning on page no. 157 of this Draft Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

For details relating to sales or purchases our Company and any of our Group entities, please refer to “Annexure XX: Statement of Related Parties’ Transactions” on page no. 182 of the chapter titled “Restated Financial Statements” beginning on page no. 165 of this Draft Prospectus.

### **In the promotion of our Company**

None of the Group Companies have any interest in the promotion of our Company.

### **Companies / Firms from which the Promoters have disassociated themselves in last 3 (three) years**

Our Promoters have not disassociated themselves from any company in which they were promoters, in last three years.

Further, none of the Group Companies are defunct and no application has been made to the Registrar of Companies for striking off the name of any of the Group Companies during the five years preceding the date of this Draft Prospectus.

### **In the properties acquired by our Company**

None of the Group Companies have any interest in the properties acquired by our Company within the three years of the date of filing this Draft Prospectus or proposed to be acquired by our Company.

### **Sick Companies/ Winding up**

No Promoter Group Entities listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985. There are no winding up proceedings against any of the Promoter Group Entities.

### **Litigation**

For details relating to legal proceedings involving our Group Company/Entities, if any, please refer to the chapter titled “Outstanding Litigation” beginning on page no. 194 of this Draft Prospectus.

## **Related business transactions within the Group Companies and its significance on the financial performance of Our Company**

For details, please see the chapter titled “*Financial Statements- Annexure XX - Related Party Transactions*” on page no. 182 of this Draft Prospectus.

### **Undertaking / confirmations**

None of our Promoters or Promoter Group or Group Companies/entities or person in control of our Company has been

- (i) Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- (ii) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group Companies /entities have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

## DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares Since Incorporation. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

**SECTION VI - FINANCIAL INFORMATION OF THE COMPANY****AUDITORS REPORT ON RESTATED FINANCIAL STATEMENT**

To,  
The Board of Directors,  
SALEBHAI INTERNET LIMITED  
Ahmedabad, Gujarat.

1. We have examined the attached Restated Financial Information of **SALEBHAI INTERNET LIMITED** which comprise of the Restated Summary Statement of Assets and Liabilities as at March 31, 2017 & 2016, the Restated Summary Statements of Profit and Loss and the Restated Summary Statement of Cash Flows for each of the years ended March 31, 2017 & 2016, and the summary of Significant Accounting Policies as approved by the Board of Directors of the Company in their meeting held on 08<sup>th</sup> May'2018, prepared by the management of the company in terms of requirement of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rule 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the 'SEBI Regulations'), the Guidance Note on 'Reports in Company's Prospectus (Revised)' issued by the Institute of Chartered Accountants of India ('ICAI') to the extent applicable ('Guidance Note'), and in terms of our engagement agreed upon with you in accordance with our engagement letter dated 30<sup>th</sup> March'2018, in connection with the proposed Initial Public Offer (IPO) of the Company.
2. These Restated Financial Statements (included in ANNEX 1 to 23) have been compiled by the Management of the Company from:
  - (a) The Company's Audited Financial Statements for the year ended March 31, 2017 and 2016 which have been approved by the Board of Directors and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Financial Information. The Financial Statement of the Company for the financial year ended March 31, 2017 & 2016 are audited by statutory auditors M/s. Sunil Dad & Co., Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said respective years. The financial report included for these years are based solely on the report submitted by them and auditors had issued unqualified reports for these years.
3. We have also examined the financial information of the Company for the period 01.04.2017 to 31.01.2018 [the broken period ending not before 180 days from the date of prospectus] prepared and approved by the Board of Directors for the purpose of disclosure in the offer document of the Company.

Based on the above, we report that in our opinion and according to the information and explanations given to us, the above interim financial information are in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable and the interim financial information are presented with the Restated Standalone Financial Information appropriately except for

*AS-9 Revenue Recognition wherein the Company was required to report Revenue based on Revenue generated from out of Sale done through its platform & other off-line sales instead of reporting Commission Income (Net of Purchase & Sale) since inception till 30<sup>th</sup> Nov.2017. Further according to Management quantification of the Sale and Purchase to be reported in FY2015-16 & FY2016-17 and till 30<sup>th</sup> Nov.'2017 is not possible and it will not effect net profit as well and hence necessary effect is not given.*

*TDS Liability not provided for in Books of Accounts is as follows –  
Rs.51000/- for FY2015-16 and Rs.413772/- for FY2016-17*



**Regarding compliance with Sec.42 of the Companies Act'2013, in certain instances Shares were allotted beyond 60 days of receipt of Share Application money.**

4. In accordance with the requirement of Section 26 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:

(i) The “Restated Statement of Assets and Liabilities” as set out in **ANNX I** to this report of the Company as at January 31, 2018 and year ended March 31, 2017 and 2016 examined by us, as set out in **ANNX – I** to this report, read with the ‘Significant Accounting Policies and Notes to the Restated Financial Statements’ appearing in **ANNX - IV** after making such adjustments and regrouping/re-classification to the audited financial statements of the Company/Firm as applicable, as in our opinion are appropriate and more fully described in notes to the restated summary statements to this report.

(ii) The “Restated Statement of Profit and Loss” as set out in **ANNX II** to this report, of the Company as at January 31, 2018 and year ended March 31, 2017, 2016 examined by us, as set out un **ANNX – II** to this report, read with the ‘Significant Accounting Policies and Notes to the Restated Financial Statements’ appearing in **ANNX - IV** after making such adjustments and regrouping/re-classification to the audited financial statements of the Company/Firm as applicable, as in our opinion are appropriate and more fully described in notes to the restated summary statements to this report.

(iii) The ”Restated Statement of Cash Flow” as set out in **ANNX III** to this report, of the Company as at January 31, 2018 and year ended March 31, 2017, 2016 examined by us, as set out un **ANNX – III** to this report, read with the ‘Significant Accounting Policies and Notes to the Restated Financial Statements’ appearing in **ANNX - IV** after making such adjustments and regrouping/re-classification to the audited financial statements of the Company/Firm as applicable, as in our opinion are appropriate and more fully described in notes to the restated summary statements to this report.

5. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating –

*a) Adjustments for the adoptions of accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the adopted accounting policy for all reporting periods except -*

***AS-9 Revenue Recognition wherein the Company was required to report Revenue based on Revenue generated from out of Sale done through its platform & other off-line sales instead of reporting Commission Income (Net of Purchase & Sale) since inception till 31<sup>st</sup> Oct.2017. Further according to Management quantification of the Sale and Purchase to be reported in FY2015-16 & FY2016-17 and till 31<sup>st</sup> Oct.’2017 is not possible and hence necessary effect is not given***

*b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and*

*c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.*

6. We have also examined the following other financial information as restated relating to the Company prepared by the Management and as approved by its Board of Directors & Audit Committee of the Company and annexed to this report relating to the Company for the period ended January 31, 2018 and the year ended March 31, 2017 and 2016 proposed to be included in the Draft Prospectus / Prospectus (“Offer Document”) –

1. Statement of Details of Share Capital, as Restated, as set out in **ANNX V** to this report.
  2. Statement of Details of Reserves and Surplus, as Restated, as set out in **ANNX VI** to this report.
  3. Statement of Details of Long Term Borrowings, as set out in **ANNX VII** to this report.
  4. Statement of Details of Short Term Borrowing, as Restated, as set out in **ANNX VIII** to this report.
  5. Statement of Details of Trade Payables, as Restated, as set out in **ANNX IX** to this report.
  6. Statement of Details of Other Current Liabilities, as Restated, as set out in **ANNX X** to this report.
  7. Statement of Details of Short Term Provisions, as Restated, as set out in **ANNX XI** to this report.
  8. Statement of Details of Fixed Assets, as Restated, as set out in **ANNX XII** to this report.
  9. Statement of Details of Non Current Investments, as Restated, as set out in **ANNX XIII** to this report.
  10. Statement of Details of Long Term Loans and Advances, as Restated, as set out in **ANNX XIV** to this report.
  11. Statement of Details of Inventories, as Restated, as set out in **ANNX XV** to this report
  12. Statement of Details of Trade Receivables, as Restated, as set out in **ANNX XVI** to this report
  13. Statement of Details of Cash and Cash Equivalents, as Restated, as set out in **ANNX XVII** to this report.
  14. Statement of Details of Short Term Loan and Advances, as Restated, as set out in **ANNX XVIII** to this report.
  15. Statement of Details of Revenue from Operations, as Restated, as set out in **ANNX XIX** to this report.
  16. Statement of Details of Related Party Transaction, as Restated, as set out in **ANNX XX** to this report.
  17. Statement of Summary of Significant Accounting Ratios, as Restated, as set out in **ANNX XXI** to this report.
  18. Statement of Capitalisation, as Restated, as set out in **ANNX XXII** to this report.
  19. Statement of Tax Shelters, as Restated, as set out in **ANNX XXIII** to this report.
7. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. In our opinion, the above financial information contained in ANNXI to XXIII of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in ANNX IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the provisions of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.
10. 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 distributed for any other purpose except with our consent in writing.

**For S. D. Mota & Associates**  
**Chartered Accountants**  
**Firm No. 119681W**

**(Sanjay D. Motta)**  
**Proprietor - Mem. No.107688**

**Place – Dombivali**  
**Date – May 09, 2018**

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

(Amt. in lakhs)

Particulars		As on 31 January 2018	As on 31 March 2017	As on 31st March 2016
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	62.32	52.45	1.00
	(b) Reserves and surplus	548.02	(219.95)	(111.19)
<b>2</b>	<b>Share application money pending allotment</b>	8.80	Nil	Nil
<b>3</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	Nil	Nil	Nil
	(b) Deferred tax liabilities (Net)	0.15	0.19	0.35
	(c) Long-term Provisions	Nil	Nil	Nil
	(d) Other Long-term Liabilities	Nil	Nil	Nil
<b>4</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	0.00	153.11	104.69
	(b) Trade payables	13.93	95.41	7.39
	(c) Other current liabilities	18.39	4.40	0.86
	(d) Short-term provisions	12.42	11.44	7.47
	<b>TOTAL</b>	<b>664.03</b>	<b>97.05</b>	<b>10.57</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Property, Plant and Equipments	2.16	2.60	3.09
	(ii) Intangible Assets	Nil	Nil	Nil
	(iii) Capital Work in Progress	Nil	Nil	Nil
	<b>Net Block</b>	<b>2.16</b>	<b>2.60</b>	<b>3.09</b>
	(b) Non Current Investments	Nil	Nil	Nil
	(c) Long-term loans and advances	1.21	1.21	1.21
	(d) Other Non Current Assets	Nil	Nil	Nil
	(e) Deferred Tax Assets	Nil	Nil	Nil
<b>2</b>	<b>Current assets</b>			
	(a) Current Investments	Nil	Nil	Nil
	(b) Inventories	Nil	Nil	Nil
	(c) Trade receivables	65.38	2.45	Nil
	(d) Cash and Bank Balances	12.61	13.23	4.92
	(e) Short-term loans and advances	582.67	77.56	1.34
	(f) Other Current Assets	Nil	Nil	Nil
	<b>TOTAL</b>	<b>664.03</b>	<b>97.05</b>	<b>10.57</b>

ANNEXURE II					
Restated Unconsolidated Statement of Profit & Loss					
(Amt. in Lacs)					
	Particulars	Refer Note No.	As at 31 January 2018	For the year ended 31 March 2017	For the year ended 31 March 2016
I.	Revenue from operations		89.14	45.42	1.25
	Less : Excise Duty & GST		Nil	Nil	Nil
			89.14	45.42	1.25
II.	Other income		24.15	0.60	2.45
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>113.29</b>	<b>46.02</b>	<b>3.70</b>
IV.	Expenses:				
	Cost of Material Consumed		Nil	Nil	Nil
	Purchase of stock in trade		38.43	Nil	Nil
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		Nil	Nil	Nil
	Employee benefits expense		121.06	102.25	64.30
	Finance costs		0.24	0.13	0.03
	Depreciation and amortization expense		1.47	3.45	1.35
	Other expenses		111.99	228.46	48.87
	<b>Total expenses</b>		<b>273.20</b>	<b>334.29</b>	<b>114.55</b>
<b>V.</b>	<b>Profit before tax (VII- VIII)</b>		<b>(159.91)</b>	<b>(288.27)</b>	<b>(110.84)</b>
VI	Exceptional Items (Prior period Item)		Nil	Nil	Nil
VII	Extraordinary Items		Nil	Nil	Nil
VIII	Tax expense:				
	(1) Current tax		Nil	Nil	Nil
	(2) Deferred tax		(0.04)	(0.16)	0.35
	(3) Earlier year Income tax		Nil	Nil	Nil
<b>IX</b>	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>(159.87)</b>	<b>(288.11)</b>	<b>(111.19)</b>

ANNEXURE-III							
Restated Unconsolidated Statement of Cash Flows							(Amt. in Lacs)
Sr. No.	Particulars	F.Y. 2017-18		F.Y. 2016-17		F.Y. 2015-16	
		Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)
<b>A.</b>	<b>Cash flow from Operating Activities</b>						
	Net Profit Before tax as per Statement of Profit & Loss		(159.91)		(288.27)		(110.84)
	Adjustments for :						
	Depreciation & Amortisation Exp.	1.47		3.45		1.35	
	Loss (Profit) on Sale of Assets	Nil		Nil		Nil	
	Provision for Employee Benefit	0.85		1.37		0.60	
	Dividend Income	Nil		Nil		Nil	
	Financial Cost	0.24		0.13		0.03	
	Extraordinary Items	Nil		Nil		Nil	
	Office rent	Nil		Nil		Nil	
	Interest Income	Nil		Nil		Nil	
	Preliminary Expenses Written off	Nil		Nil		Nil	
	Preliminary Expenses Incurred	Nil	2.56	Nil	4.96	Nil	1.98
	Operating Profit before working capital changes		(157.35)		(283.32)		(108.86)
	Changes in Working Capital						
	Trade receivable	(62.92)		(2.45)		Nil	
	Other Loans and advances receivable	(505.11)		(76.21)		(1.34)	
	Long term Loans and advances	Nil		(0.00)		(1.21)	
	Inventories	Nil		Nil		Nil	
	Other current assets	Nil		Nil		Nil	
	Other Non current assets	Nil		Nil		Nil	
	Trade Payables	(81.48)		88.02		7.39	
	Other Current Liabilites	13.98		3.55		0.86	
	Short term Provisions	0.13		2.60		6.87	
	Short term Borrowings	(153.11)		48.42		104.69	
			(788.51)		63.91		117.25
	Net Cash Flow from Operation		(945.85)		(219.40)		8.39
	Less : Income Tax paid		Nil		Nil		Nil
	Less : Prior Period Expenses		Nil		Nil		Nil

	Net Cash Flow from Operating Activities (A)		(945.85)		(219.40)		8.39
B.	Cash flow from investing Activities						
	Purchase of Fixed Assets (Net)	(1.03)		(2.96)		(4.44)	
	Sale of Fixed Assets	Nil		Nil		Nil	
	Movement in Loan & Advances	Nil		Nil		Nil	
	Other cash receipts from sales of equity or debt instruments of other entities	Nil		Nil		Nil	
	Interest Income	Nil		Nil		Nil	
	Dividend Income	Nil	(1.03)	Nil	(2.96)	Nil	(4.44)
	Net Cash Flow from Investing Activities (B)		(1.03)		(2.96)		(4.44)
C.	Cash Flow From Financing Activities						
	Proceeds From Issue of shares capital	946.51		230.80		1.00	
	Decrease/(Increase) in Secured Loans	Nil		Nil		Nil	
	Finance Cost	(0.24)		(0.13)		(0.03)	
	Other Borrowing Costs	Nil		Nil		Nil	
			946.27		230.67		0.97
	Net Cash Flow from Financing Activities (C)		946.27		230.67		0.97
D.	Net (Decrease)/ Increase in Cash & Cash Equivalents (A+B+C)		(0.62)		8.31		4.92
E.	Opening Cash & Cash Equivalents		13.23		4.92		Nil
F.	Cash and cash equivalents at the end of the period		12.61		13.23		4.92
G.	Cash And Cash Equivalents Comprise :						
	Cash		9.29		7.53		4.67
	Bank Balance :						
	Current Account		3.32		5.70		0.25
	Deposit Account		Nil		Nil		Nil
	Total		12.61		13.23		4.92

**Notes forming part of the Balance Sheet and the Profit and Loss Account –  
Note -1: Significant Accounting Policies**

**1. Basis of Accounting**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the accounting standards prescribed under Section 133 of the Companies Act, 2013.

**2. Use of Estimates**

These financial statements have been prepared on the basis of estimates, wherever necessary, which have an effect on the reported amounts of assets and liabilities as on the date of the statements and the reported amounts of income and expenditure for the reporting period. The difference between actuals and estimates is recognized in the subsequent period when the actuals are known.

**3. Revenue Recognition**

The revenue during the financial year under review has been accounted in the books of accounts on accrual basis.

Change of Policy:

During the earlier years, Company was recognizing income as commission on the sales transaction. However, during the current year, till 30<sup>th</sup> November 2017 the Company has continued with recognizing commission only. Later on (From 1<sup>st</sup> December 2017) the Company has adopted policy for recognizing complete purchase and sales transactions as per AS-9. According to Management, on account of this change in policy, comparative quantification could not be made. However, there is no impact on net profits of the company on account of the same.

**4. Investments**

No investments are held by the Company.

**5. Retirement Benefits**

The company does not provide provision in the books of account with respect to the retirement benefits of the employees. The company has the policy of recognizing the expenses in connection to the same as and when the same are incurred.

**6. Taxes on Income**

Current tax is determined as the amount of tax payable in respect of taxable income of the year.

Deferred tax for the year is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward only if there is reasonable/virtual certainty of its realization.

The carrying amount of Deferred Tax Assets are reviewed at each balance sheet date and written down or written up, to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized.



## 7. Earning Per Share

Basic earnings per share is 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.

Diluted earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period and adjusted for the effects of all dilutive potential equity shares.

## 8. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

### Note -2: Notes on accounts as restated

All amounts are in Lacs except Reconciliation of Restated Profit as per audited financials and restated financials, Related Party Transaction Annexure and EPS.

The financial statements including financial information have been reworked, regrouped, and reclassified wherever considered appropriate to comply with the accounting policies and applicable accounting standards. As result of these regroupings and adjustments, the amount reported in financial statements/ information may not be necessarily be same as those appearing in the respective audited financial statements for the relevant period/years.

The value on realization of Current Assets, loans and advances if realized in the ordinary course of business shall not be less than the amount which is stated in the balance sheets. Credit and Debit balances of unsecured loans, sundry creditors, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.

### Employee Benefits-

*Company did not follow AS-15 "Employee Benefits" applicable for accounting period commencing on or after 01<sup>st</sup> April'2011.* However for the purpose of restatement valuation for Gratuity was carried out by independent actuarial valuer and the effect of the same has been given in the restatement of respective years respectively.

### Contingent Liability –

*TDS Liability not provided for in Books of Accounts is as follows –  
Rs.51000/- for FY2015-16 and Rs.413772/- for FY2016-17*

<b>Annexure - IV</b>			
<b>Reconciliation of Restated Profit with Audited Profit &amp; Loss:</b>			
			(Amt. In Rs.)
<b>PARTICULARS</b>	<b>2017-18 31-01-2018</b>	<b>2016-17</b>	<b>2015-16</b>
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	(1,59,86,739)	(2,88,11,142)	(1,11,19,196)
<b><u>Adjustments for:</u></b>			
Gratuity Provision	(1,97,468)	1,37,414	60,054
Change in Deferred Tax	(2,313)	(654)	Nil
Prior Year Expenses	(3,87,517)	3,87,517	Nil
Prior year income	2,45,414	(2,45,414)	Nil
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>(1,63,28,623)</b>	<b>(2,85,32,279)</b>	<b>(1,10,59,142)</b>

<b>ANNEXURE-V</b>						
<b>SHARE CAPITAL</b>						
<b>Share Capital</b>	<b>As on 31st January 2018</b>		<b>As on 31st March 2017</b>		<b>As on 31st March 2016</b>	
	<b>Number</b>	<b>Amt. Rs.</b>	<b>Number</b>	<b>Amt. Rs.</b>	<b>Number</b>	<b>Amt. Rs.</b>
-	-	-	-	-	-	-
<b><u>Authorised</u></b>	-	-	-	-	-	-
Equity Shares of Rs.10 each	10.00	100.00	10.00	100.00	0.10	1.00
<b><u>Issued</u></b>	-	-	-	-	-	-
Equity Shares of Rs.10 each	6.23	62.32	5.25	52.45	0.10	1.00
<b><u>Subscribed &amp; Paid up</u></b>						
Equity Shares of Rs.10 each fully paid up	6.23	62.32	5.25	52.45	0.10	1.00
<b>Total</b>	<b>6.23</b>	<b>62.32</b>	<b>5.25</b>	<b>52.45</b>	<b>0.10</b>	<b>1.00</b>
<b>RECONCILIATION OF NUMBER OF SHARES</b>						
<b>Particulars</b>	<b>Equity Shares</b>		<b>Equity Shares</b>		<b>Equity Shares</b>	
	<b>Number</b>	<b>Amt. Rs.</b>	<b>Number</b>	<b>Amt. Rs.</b>	<b>Number</b>	<b>Amt. Rs.</b>
Shares outstanding at the beginning of the year	5.25	52.45	0.10	1.00	-	-
Shares Issued during the year	-	-	-	-	0.10	1.00
Right Shares issued during the year	0.99	9.87	5.15	51.45	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	6.23	62.32	5.25	1.00	0.10	1.00
<b>Details of Shares held by shareholders holding more than 5% of the aggregate shares in the co.</b>						

Name of Shareholder	As on 31st January 2018		As on 31st March 2017		As on 31st March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Vishwavijay Singh	2.49	40.00	2.40	45.75	0.05	50.00
Prajawala Rao	-	0.00	-	0.00	0.01	5.00
Anand Varani	0.65	10.40	0.63	12.01	0.01	14.00
Gopal Shukla	0.68	10.91	0.67	12.70	0.02	16.00
Priyanka Singh	0.51	8.24	0.50	9.44	0.02	15.00
Benett & Coleman Co	0.68	10.98	0.00	0.00	-	0.00

ANNX VI			
RESERVE AND SURPLUS			(Amt. In Lacs)
Particulars	As on 31 January 2018	As on 31 March 2017	As on 31 March 2016
<b>A. Securities Premium Account</b>			
Opening Balance	179.35	Nil	Nil
Add : Securities premium credited on Share issue	927.84	179.35	Nil
<u>Less : Premium Utilised for various reasons</u>			
For Issuing Bonus Shares	Nil	Nil	Nil
Closing Balance	1,107.19	179.35	Nil
<b>B. Surplus</b>			
Opening balance	(399.30)	(111.19)	Nil
(+) Net Profit/(Net Loss) For the current year	(159.87)	(288.11)	(111.19)
(-) Transfer for Issue of Bonus Shares	Nil	Nil	Nil
(-) Adjustment in F.A as per Companies Act,2013	Nil	Nil	Nil
Closing Balance	<b>(559.17)</b>	<b>(399.30)</b>	<b>(111.19)</b>
<b>Total</b>	<b>548.02</b>	<b>(219.95)</b>	<b>(111.19)</b>

ANNX VII			
LONG TERM BORROWINGS			(Amt. In Lacs)
Particulars	As on 31 January 2018	As on 31 March 2017	As on 31 March 2016
<b>Secured</b>	-	-	-
<b>(a) Term loans</b>			
<b>From Bank &amp; Financial Institutions</b>			
- Term Loan	Nil	Nil	Nil
<b>From Others</b>	Nil	Nil	Nil
Sub-total (a)	Nil	Nil	Nil

<b>Unsecured</b>	-	-	-
<b>(b) Loans and advances from related parties</b>			
Loans from Directors	Nil	Nil	Nil
Advance & Deposite	Nil	Nil	Nil
<b>(c) Loans and Advances from Bank &amp; Financial Institutions</b>			
- Business Loans from Banks	Nil	Nil	Nil
- Business Loans from Financial Institutions	Nil	Nil	Nil
Sub-total (b) + (c)	Nil	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

ANNX VIII			
SHORT TERM BORROWINGS			(Amt. In Lacs)
Particulars	As on 31 January 2018	As on 31 March 2017	As on 31 March 2016
<b>Secured</b>	-	-	-
(a) Working Capital Loans	Nil	Nil	Nil
(b) Buyers' Credit Facilities	Nil	Nil	Nil
(c) Loan From others		Nil	Nil
(d) Intercompany LOan	Nil	Nil	Nil
(e) Vehicle Loan	Nil	Nil	Nil
(f) Loan from Banks	Nil	Nil	Nil
<b>Unsecured</b>			
(a) Loan from directors	Nil	11.85	63.78
(b) Loan from Body Corporate	Nil	141.26	30.51
(b) Loan from others	Nil	Nil	10.39
<b>Total</b>	<b>Nil</b>	<b>153.11</b>	<b>104.69</b>

ANNX IX			
TRADE PAYABLES			(Amt. In Lacs)
Particulars	As on 31 January 2018	As on 31 March 2017	As on 31 March 2016
(a) Micro, Small and Medium Enterprise	Nil	Nil	Nil
(b) Others	13.93	95.41	7.39
<b>Total</b>	<b>13.93</b>	<b>95.41</b>	<b>7.39</b>

ANNX X			
OTHER CURRENT LIABILITIES			(Amt. In Lacs)
Particulars	As on 31 January 2018	As on 31 March 2017	As on 31 March 2016
(i) Current maturities of Long Term Debt (i.e. Term Liability classified as current)			
From Bank	Nil	Nil	Nil
From Other parties	Nil	Nil	Nil
(ii) Statutory Liabilities			
Employee Professional Tax Payable	0.73	0.52	0.41
Employee Providend Fund Payable	Nil	Nil	Nil
ESIC Payable	Nil	Nil	Nil
Excise Duty Payable	Nil	Nil	Nil
Service Tax Payable	Nil	Nil	Nil
TDS Payable	16.29	3.69	0.44
VAT Payable	Nil	Nil	Nil
GST Payable	Nil	Nil	Nil
Excess Share Application money received	Nil	Nil	Nil
Swachh Bharat Cess	Nil	0.19	0.01
(iii) Due against Capital Expenditure	Nil	Nil	Nil
(iv) Other Payables (Specify Nature)			
Creditors for Expenses	0.95	Nil	Nil
Creditors for Capital Goods	Nil	Nil	Nil
(V) Security Deposit	Nil	Nil	Nil
(vi) Advance from Customer	0.41	Nil	Nil
Advances for Sale of Assets	Nil	Nil	Nil
Others /Duties & Taxes	Nil	Nil	Nil
<b>Total</b>	<b>18.39</b>	<b>4.40</b>	<b>(0.12)</b>

ANNX XI			
SHORT TERM PROVISIONS			(Amt In Lacs)
Particulars	As on 31 January 2018	As on 31 March 2017	As on 31 March 2016
<b>Provision For</b>	-	-	-
(a) <b>Employee benefits</b>			
(i) Contribution to PF	Nil	Nil	Nil
(ii) Salary Payable	8.27	8.37	6.25
(iii) Gratuity Provisions	2.82	1.97	0.60
(iv) Other Employee liabilities related provision	Nil	Nil	Nil
(v) Employee Insurance Scheme			

	Nil	Nil	Nil
<b>(b) Others (Specify nature)</b>			
(i) Income Tax	Nil	Nil	Nil
(ii) TDS Payable	Nil	Nil	Nil
(iii) Audit Fees	1.25	1.03	0.53
(iv) Other Expenses	0.07	0.07	0.09
<b>Total</b>	<b>12.42</b>	<b>11.44</b>	<b>7.47</b>

ANNEXURE – XII			
STATEMENT OF FIXED ASSETS (Amt. in Lacs)			
Particulars	As on		
	31.01.2018	31.03.2017	31.03.2016
<b>Tangible Assets</b>			
Computer	1.85	2.60	3.09
Mobile	0.31	Nil	Nil
	<b>2.16</b>	<b>2.60</b>	<b>3.09</b>
<b>Intangible Assets</b>			
Computer software	Nil	Nil	Nil
	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Capital Work-in-Progress</b>	Nil	Nil	Nil
	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total</b>	<b>2.16</b>	<b>2.60</b>	<b>3.09</b>

ANNX XIII			
NON CURRENT INVESTMENTS (Amt. In Lacs)			
Particulars	As on 31		
	January 2018	March 2017	March 2016
<b>(a) Investment in Property</b>	Nil	Nil	Nil
<b>(b) Investment in Equity Instruments</b>	Nil	Nil	Nil
<b>(c) Investment in Preference Shares</b>	Nil	Nil	Nil
<b>(d) Investments in Government or Trust Securities</b>	Nil	Nil	Nil
<b>(e) Investments in Debentures or Bonds</b>	Nil	Nil	Nil
<b>(f) Investments in Mutual Funds</b>	Nil	Nil	Nil
<b>(g) Investments in Partnership Firms</b>	Nil	Nil	Nil
<b>Aggregate amount of unquoted Investments</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Aggregate Cost of Quoted Investment</b>			
<b>Aggregate Cost of Unquoted Investment</b>	Nil	Nil	Nil
<b>Aggregate Market Value of Quoted</b>	Nil	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

ANNX XIV			
LONG TERM LOANS AND ADVANCES			(Amt. In Lacs)
Particulars	As on 31 January 2018	As on 31 March 2017	As on 31 March 2016
(Unsecured and Considered Good)			
<b>a. long term loans and advances recoverable from Directors/Promoters/Promoter Group/ Associates/ Relatives of Directors/Group Company</b>	Nil	Nil	Nil
	Nil	Nil	Nil
<b>b. Other Long Term Loans &amp; Advances</b>			
Security Deposits/Rent Deposit	1.21	1.21	1.21
Advance against Capital Expenditure	Nil	Nil	Nil
Other Deposits	Nil	Nil	Nil
<i>(recoverable in cash or kind or for value to be received)</i>			
Related Party	Nil	Nil	Nil
<b>Total</b>	<b>1.21</b>	<b>1.21</b>	<b>1.21</b>

ANNX XV			
INVENTORIES			(Amt. In Lacs)
Particulars	As on 31 January 2018	As on 31 March 2017	As on 31 March 2016
a. Raw Materials and components	Nil	Nil	Nil
(Valued at Cost as per FIFO Method)	Nil	Nil	Nil
b. Work-in-progress	Nil	Nil	Nil
(Valued At Estimated Cost)	Nil	Nil	Nil
c. Finished goods	Nil	Nil	Nil
(Valued At Lower of Cost or NRV)	Nil	Nil	Nil
d. Stores and spares & Packing Materials			
(Valued at Lower of Cost or NRV as per FIFO Method)	Nil	Nil	Nil
e. Stock in Trade	Nil	Nil	Nil
f. Stock in hand	Nil	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>



ANNX XVI			
TRADE RECEIVABLES			(Amt.In Lacs)
Particulars	As on 31 January 2018	As on 31 March 2017	As on 31 March 2016
(Unsecured and Considered Good)			
<b>a. From Directors/Promoters/ Promoter Group/Associates/ Relatives of Directors / Group Companies</b>			
Over Six Months	Nil	Nil	Nil
Others	Nil	Nil	Nil
<b>b. From Others</b>			
Over Six Months	Nil	Nil	Nil
Less than Six Months	65.38	2.45	Nil
<b>Total</b>	<b>65.38</b>	<b>2.45</b>	<b>Nil</b>

ANNX XVII			
CASH AND BANK BALANCES			(Amt. In Lacs)
Particulars	As on 31 January 2018	As on 31 March 2017	As on 31 March 2016
<b>a. Cash &amp; Bank Equivalent</b>			
Cash on hand*	9.29	7.53	4.67
Balances with banks			
- in current accounts	3.32	5.70	0.25
<b>b. Balance in Deposit Accounts</b>	Nil	Nil	Nil
<b>Total</b>	<b>12.61</b>	<b>13.23</b>	<b>4.92</b>

ANNX XVIII			
SHORT TERM LOANS AND ADVANCES			(Amt. In Lacs)
Particulars	As on 31 January 2018	As on 31 March 2017	As on 31 March 2016
(Unsecured and Considered Good)			
<b>a. Loans and advances to Directors/Promoters/Promoter Group/ Associates/ Relatives of Directors/Group Company</b>			
<b>b. Balance with Government Authorities</b>	Nil	Nil	Nil
<b>c. Others (specify nature)</b>			
Advance Tax	Nil	Nil	Nil
Prepaid Expenses	Nil	Nil	Nil
TDS Receivable	Nil	Nil	Nil
S. Tax Receivable	Nil	6.02	1.34

CGST Receivable	1.26	Nil	Nil
IGST Receivable	2.47	Nil	Nil
SGST Receivable	0.96	Nil	Nil
Security Deposit	Nil	70.54	Nil
Others	Nil	Nil	Nil
Advance to Supplier	Nil	1.00	Nil
Advance recoverable in Cah or kind	577.97	Nil	Nil
Preliminary & Misc Exp Not Written Off	Nil	Nil	Nil
Loan to Subsidiary Company	Nil	Nil	Nil
<b>Total</b>	<b>582.67</b>	<b>77.56</b>	<b>1.34</b>

ANNX XIX				
DETAILS OF REVENUE & OTHER INCOME				
(AMT. IN LACS)				
	Particulars	For the Period Ended 31st January 2018	For the Year Ended 31st March 2017	For the Year Ended 31st March 2016
<b>1</b>	<b>Revenue From Opertaion</b>			
<b>I.</b>	<b>Sale of goods/services as applicable</b>			
(a)	Sales of goods	56.79	-	-
	Less - Excise Duty & GST	-	-	-
(b)	Commission Income	7.76	45.42	1.25
	<b>Total</b>	<b>64.55</b>	<b>45.42</b>	<b>1.25</b>
(c)	Sale of services			
	Web Service Income	24.59	-	-
	<b>Total</b>	<b>24.59</b>	<b>-</b>	<b>-</b>
	<b>TOTAL</b>	<b>89.14</b>	<b>45.42</b>	<b>1.25</b>
<b>II.</b>	<b>Other Operating Revenue</b>			
	Delivery Charge	-	0.03	-
	<b>TOTAL</b>	<b>-</b>	<b>0.03</b>	<b>-</b>
	<b>GROSS TOTAL</b>	<b>89.14</b>	<b>45.45</b>	<b>1.25</b>
<b>2.</b>	<b>OTHER INCOME</b>			
	Discount received	6.32	-	0.08
	Freight Income	17.60	0.60	2.37
	Foreign Fluctuation Income	0.22	-	-
	Other Misc. Income	0.01	-	-
	<b>TOTAL</b>	<b>24.15</b>	<b>0.60</b>	<b>2.45</b>

ANNX XX				
STATEMENT OF RELATED PARTY TRANSACTION				(Amt in Rs.)
(a)	Names of the related parties with whom transaction were carried out during the years and description of relationship:			
1	Holding Company	-		
2	Subsidiary Company	-		
3	Key Managerial Person	VISHWA VIJAY SINGH		
		ANAND PRAKASH VARANI		
		PRIYANKA V SINGH		
4	Relatives of Key Management Personnel with whom transactions have taken place	Vidhata varani		
5	Enterprises Owned or controlled by Key Management personnel and/or their Relatives	STUD FARM INFRASTRUCTURE PVT LTD		
S.No.	Particulars	For the Period ended 31 January 2018	For the year ended 31 March 2017	For the year ended 31 March 2016
1	<b>Purchase</b>	Nil	Nil	Nil
	<b>Remuneration/Salary</b>			
	Vidhata varani	2,08,330	2,06,330	Nil
	Purba Kalita	10,49,800	10,20,000	7,69,600
	<b>Rent Paid</b>	Nil	Nil	Nil
	<b>Stationery Expense</b>	Nil	4,500	Nil
	<b>Travelling &amp; Conveyance Expense</b>			
	Purba Kalita	Nil	Nil	7,611
	Vishwa vijay singh	46,141	3,54,947	Nil
	<b>Advertisement Expense</b>	Nil	Nil	Nil
	<b>Repairs &amp; Maintenance</b>	Nil	Nil	Nil
	<b>Sales Promotion Expense</b>			
	Purba Kalita	Nil	2,28,837	Nil
	<b>Professional Fees</b>	Nil	Nil	Nil
	<b>Petrol &amp; Diesel Expense</b>			
	Vishwa Vijay Singh	186363	1,03,783	1,25,517
	<b>Interest Expense</b>	Nil	Nil	Nil
	<b>Food &amp; Beverage Expenses</b>			
	Vishwa Vijay Singh	62,730	21,721	36,425
2	<b>Purchase of Fixed Assets</b>	Nil	Nil	Nil
3	<b>Investment in Subsidiary</b>	Nil	Nil	Nil
4	<b>Issue of Share</b>			
	Vishwa Vijay Singh	87,61,425	23,50,000	50,000
	Anand Prakash varani	17,16,475	7,00,000	14,000

	priyanka V Singh	5,00,000	7,50,000	15,000
	Purba Kalita	Nil	1,00,000	Nil
<b>5</b>	<b>Rent Income</b>	Nil	Nil	Nil
<b>6</b>	<b>Sales</b>	Nil	Nil	Nil
<b>7</b>	<b>Loan Taken</b>			
	VISHWA VIJAY SINGH	89,26,851	42,23,985	50,00,590
	ANAND PRAKASH VARANI	18,85,000	83,710	5,21,070
	PRIYANKA V SINGH	11,30,000	Nil	7,50,000
	GOPAL SHUKLA	25,00,000	22,00,000	6,00,000
	STUD FARM INFRASTRUCTURE PVT LTD	68,45,000	82,25,000	38,11,000
<b>8</b>	<b>Loan Repaid</b>			
	VISHWA VIJAY SINGH	89,26,851	42,23,985	4,60,000
	ANAND PRAKASH VARANI	18,85,000	83,710	12,000
	PRIYANKA V SINGH	11,30,000	Nil	Nil
	GOPAL SHUKLA	25,00,000	22,00,000	21,220
	STUD FARM INFRASTRUCTURE PVT LTD	68,45,000	82,25,000	7,60,000
<b>9</b>	<b>Loan Given</b>	Nil	Nil	Nil
<b>10</b>	<b>Advance to Capital Goods</b>	Nil	Nil	Nil

Annexure - XXI			
Summary of Accounting Ratios (Amt. in Lacs)			
Ratios	For the period ended 31 January 2018	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>Restated PAT as per P&amp; L Account</b>	(159.87)	(288.11)	(111.19)
Weighted Average Number of Equity Shares at the end of the Year/Period	5.38	4.22	0.10
Impact of issue of Bonus Shares before stub period	Nil	Nil	Nil
Impact of issue of Bonus Shares after stub period	Nil	Nil	Nil
Weighted Average Number of Equity Shares at the end of the Year/Period after adjustment for issue of bonus shares	5.38	4.22	0.10
No. of equity shares at the end of the year/period	6.23	5.25	0.10
Impact of issue of Bonus Shares before stub period	Nil	Nil	Nil
Impact of issue of Bonus Shares after December 31, 2015	Nil	Nil	Nil
No. of equity shares at the end of the year/period after adjustment for issue of bonus shares	6.23	5.25	0.10
<b>Net Worth</b>	610.35	(167.50)	(110.19)

Current Assets (E)	660.66	93.24	6.27
Current Liabilities (F)	44.74	264.36	120.41
<b>Earnings Per Share</b>			
Basic & Diluted - before bonus	(29.72)	(68.25)	(1,111.92)
Basic & Diluted - after bonus	(29.72)	(68.25)	(1,111.92)
<b>Return on Net Worth (%)</b>	(26.19)	(172.01)	(100.91)
<b>Net Asset Value Per Share (Rs) - before bonus</b>	97.93	(31.93)	(1,101.92)
<b>Net Asset Value Per Share (Rs) - after bonus</b>	97.93	(31.93)	(1,101.92)
Nominal Value per Equity share (Rs.)	10	10	10
Current Ratio (E/F)	14.77	0.35	0.05

**ANNEXURE – XXII**
**STATEMENT OF CAPITALISATION**

Particulars	(Amt. in Lacs)	
	Pre Issue 31-01-2018	Post Issue
<b>Borrowings</b>		
Short term debt (A)	Nil	Nil
Long Term Debt (B)	Nil	Nil
<b>Total debts (C)</b>	<b>Nil</b>	<b>Nil</b>
<b>Shareholders' funds</b>		
Equity share capital	62.32	288.28
Reserve and surplus - as restated	548.02	2694.64
<b>Total shareholders' funds</b>	<b>610.35</b>	<b>2982.92</b>
<b>Long term debt / shareholders funds</b>	<b>N.A.</b>	<b>N.A.</b>
<b>Total debt / shareholders funds</b>	<b>N.A.</b>	<b>N.A.</b>

**Annexure - XXIII**
**Statement of Tax Shelters**

	(Amt. in Lacs)		
	For the period ended 31 January 2018	For the year ended 31 March 2017	Year ended March 31, 2016
Restated Profit before tax (A)	(159.91)	(288.27)	(110.84)
Tax Rate (%)	0.26	0.30	0.31
Tax at notional rate on profits	(41.18)	(86.11)	(34.25)
<b>Adjustments :</b>			
<b>Permanent Differences(B)</b>			
Expenses disallowed under Income Tax Act, 1961	0.00	4.50	0.00
<b>Total Permanent Differences(B)</b>	<b>Nil</b>	<b>4.50</b>	<b>Nil</b>
<b>Income considered separately (C)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total Income considered separately (C)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Timing Differences (D)</b>			

Difference between tax depreciation and book depreciation	0.58	0.63	1.14
Difference due to any other items of addition u/s 28 to 44DA	0.85	1.37	0.60
<b>Total Timing Differences (D)</b>	<b>1.42</b>	<b>2.01</b>	<b>1.74</b>
<b>Net Adjustments E = (B+D)</b>	<b>1.42</b>	<b>6.51</b>	<b>1.74</b>
<b>Tax expense / (saving) thereon</b>	0.37	1.94	0.54
<b>Income from Other Sources (F)</b>	Nil	Nil	Nil
<b>Loss of P.Y. Brought Forward &amp; Adjusted(G)</b>	Nil	Nil	Nil
Taxable Income/(Loss) (A+E+F+G)	<b>(158)</b>	<b>(282)</b>	<b>(109)</b>
<b>Taxable Income/(Loss) as per MAT</b>	(160)	(288)	(111)
<b>Tax as per MAT</b>	Nil	Nil	Nil
<b>Tax as per Normal Calculation</b>	(41)	(84)	(34)
<b>MAT credit entitlement</b>			
<b>Tax paid</b>	Nil	Nil	Nil
Tax paid as per normal or MAT	Normal	Normal	Normal

## STATEMENT OF FINANCIAL INDEBTNESS

To,  
The Board of Directors,  
SALEBHAI INTERNET LIMITED  
Ahmedabad, Gujarat.

Dear Sir,

The principal terms of loans as outstanding as at 31<sup>st</sup> Jan., 2018 is as given below –

### A. Secured Loans:

Name of Lender	Purpose	Sanctioned Amount (Rs. In Lakh)	Rate of interest	Securities offered	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books) (Rs. In Lakh) As At 31.1.2018
				Primary Security / Collateral Security			
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

### B. Unsecured Loans:

Name of Lender	Purpose	Rate of interest	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books) (Rs. In Lakh) As At 31.1.2018
Nil	Nil	Nil	Nil	Nil	Nil

Thanking You,  
Yours Faithfully  
**For S. D. Mota & Associates**  
Chartered Accountants  
Firm No. 119681W

(Sanjay D. Motta)  
Proprietor  
Mem. No.107688

Place – Dombivali  
Date –09/05/2018



## MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULT OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled “Risk Factors” beginning on page 19 and “Forward Looking Statements” beginning on page 17, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.*

*The following discussion of our financial condition and results of operations should be read in conjunction with our restated summary statements as of and for the period ending on fiscal years ended March 31, 2017; March 31, 2016; and for the period ended on January 31, 2018 including the schedules and notes thereto and the reports thereto, which appear in the section titled “Financial Information of the Company” on Page No.165 of the Draft Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis are subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements.*

### Overview

Our Company was originally incorporated in Ahmedabad as “Salebhai Internet Private Limited” on April 06, 2015 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. A fresh certificate of incorporation consequent upon conversion of Company to “Salebhai Internet Limited” was issued on February 12, 2018 by the Registrar of Companies, Ahmedabad, Gujarat. The Company’s Corporate Identity Number is U51101GJ2015PLC082801.

Salebhai.com is an Indian e-commerce portal that enables people living away from home order a range of specialties directly from their hometowns. It is also a one-stop solution for those who want to discover regional products from across India. People can pick from a wide variety of delicious consumable items like sweets, namkeen, chocolates, bakery, spices, dry fruits, beverages, and pickles. Salebhai also offers other products such as handicrafts, paintings, puja items, handloom goods, and herbal & wellness items.

The power of e-commerce in meeting people’s shopping needs conveniently and quickly is changing and impacting consumer trends across the world. 51% of the world’s population has access to the net (as on June 2017), with e-commerce reported to be steadily growing by about 23% every year. On an average, worldwide people spend about five hours every week on the virtual marketplace.

This e-revolution can also be witnessed in India, manifested in the behaviour of internet users -- right from Tier I metropolitan cities to the small interior towns and villages. This increasing use of smartphones and internet penetration is expected to lead to growth in India’s e-tail market. India’s online retail is expected to rise from 2.5% of the total retail market (in 2016) to 5% of total retail by 2020.

Companies involved in e-commerce are seeking a fundamental irreversible behavioural change in customers, i.e. buying from wherever they are. The idea is to make customers buy in a different way, i.e. buying and paying online from wherever they are regardless of whether it is groceries or furniture or anything in between. This ensures that location becomes irrelevant for both customers as well as for the store.

This is markedly different from what large-format retail stores have been doing for the past few decades. They overtook the small-format stores by providing more variety and offers to potential customers. However, this merely increased the footfall without actually impacting any behavioural change in them. They were still following the same purchasing process - touching, feeling, and physically assessing products before buying them. Since there was no behavioral change, there was always a danger of customers going back to the old-format retailers.

E-commerce companies are bringing about this behavioural change by making the entire shopping process convenient, less time-consuming and virtually effortless. The other major inducement has been the discounts.

We in India are at a fascinating stage of the rise of e-commerce right now. While China and other countries have already peaked, we are still 6-7 years away. India is quickly rushing to that level, with widespread availability of internet connectivity coupled with cheap data packages. The time is ripe to invest in this ever-increasing population of internet users.

Across the world, the trend for internet companies is that they are not balance-sheet based companies, but community-based companies. The performance matrix for such businesses are quite different from the traditional ones. Their performance is evaluated on the kind of traction they get from customers, their engagement levels, and the community they have been able to build. We at SaleBhai have built our own niche by showcasing everything that migrants miss from their hometowns, besides being a portal for discovery platform for all unique items across India.

Our unique proposition, wherein we plug the market gap by making available online authentic and unique products for diaspora communities -- has helped us bring about the very fundamental behavioural change e-commerce brands seek in customers - to shop online. We use the latest content marketing tools to help customers reach their purchasing decision quickly and effectively. This is through an exhaustive and detailed listing of all information pertaining to the products and the brands offering them. In addition, we provide a neatly categorised section of blog posts and enlightening videos related to products that assist the buyers in shortlisting their options.

Going forward, our focus will be on getting more and more people to our website by offering products unique to their communities, needs, and interest.

As far as our positioning vis-a-vis the Indian e-commerce space goes, we are at a very unique place. One of the highest cash burn areas for e-commerce is customer acquisition. The next area of cash burn is ensuring repeat buying. We are uniquely placed in that we have the lowest acquisition cost in the industry and our spend on repeat purchases is significantly lower than standard industry levels.

These two things give us enormous opportunities to increase our customers at a very high pace. At the same time, we are being able to engage existing customers to the platform and retain them at a very low cost. We shall continue to add new customers to our platform for at least another three years.

## Significant Developments Subsequent to the Last Financial Year

In the opinion of the Board of Directors of our Company, there have not arisen any circumstances since the date of the last financial statements disclosed in this Draft Prospectus that materially or adversely affect the operations or profitability of the Company or the Value of its assets or its ability to pay its liability within next twelve months except below changes occurred after Balance Sheet date:-

1. Our Company has appointed Mr. Vishvijay M. Singh as managing Director with effect from February 08, 2018.
2. Our Company has appointed Mr. Anandprakash Varani as Director and CFO with effect from February 08, 2018.
3. Our Company has appointed Mr. Virendrasingh Sayarsingh Shekhawat as Independent Director with effect from February 08, 2018.
4. Our Company has appointed Mr. Dipti Ashish Udani as Independent Director with effect from February 08, 2018.
5. Our Company has appointed Mr. Purba Kalita as Independent Director with effect from February 08, 2018.
6. Our Company has appointed Mr. Pramod Krishna Rao as Independent Director with effect from February 08, 2018.
7. We have appointed Ms. Chitra Thaker as Company Secretary of the Company with effect from March 30, 2018.

### Key factors affecting our results of operation:

The business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factor” beginning on page no.19 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- The condition and performance of the E-commerce market in India
- General economic and demographic conditions;
- Regulation affecting the E-commerce industry;
- Our ability to upgrade our Information technology systems;
- The availability of finance on favorable terms for our business and for our customers;
- Competition;
- Our relation with suppliers
- Variations in prices for our products;
- Significant developments in India’s economic and fiscal policies;
- Our ability to attract and retain our consumers
- Our ability to meet our capital expenditure requirements; and
- Our ability to obtain the necessary licenses in timely manner.

### Our Significant Accounting Policies:

Our significant accounting policies are described in the Section VII entitled “Financial Statements” on page no. 172 of this Draft Prospectus.

### Our Results of Operations

The following table sets forth select financial data from restated Profit and Loss Accounts for the Financial Year ended on March 31, 2017, 2016 and for the ten months period ending on January 31, 2018 the components of which are also expressed as a percentage of total income for such periods. Further, in terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009, the company is required to give the financial information for the preceding 5 financial years from the date of the Draft Prospectus. Since, Salebhai Internet Limited was incorporated on April 06, 2015, the financial information for years ending March 31, 2016 and March 31, 2017 can only be mentioned in the draft prospectus.

Particulars (For the Year Ended)	31 <sup>st</sup> January 2018	% of Total Income	31st March 2017	% of Total Income	31st March 2016	% of Total Income
Revenue From Operations	89,14,134	78.68	45,41,753	98.70	1,25,357	33.84
Other Income	24,14,796	21.32	59,928	1.30	2,45,126	66.16
<b>Total Income</b>	<b>1,13,28,930</b>	<b>100.00</b>	<b>46,01,681</b>	<b>100.00</b>	<b>3,70,483</b>	<b>100.00</b>
<b>Expenditure</b>						
Cost of Materials Consumed	Nil	-	Nil	-	Nil	-
Purchase of Stock in Trade	38,43,300	33.92	Nil	-	Nil	-
Changes in Inventories of Finished Goods, WIP	Nil	-	Nil	-	Nil	-
Employee Benefit Expense	1,21,06,092	106.86	1,02,25,140	222.20	64,29,554	1735.45
Financial Expense	24,476	0.22	13,038	0.28	2,753	0.74
Depreciation & Amortization Expense	1,46,916	1.30	3,45,187	7.50	1,35,328	36.53
Other Expense	1,11,99,005	98.85	2,28,45,667	496.46	48,86,881	1319.06
<b>Total Expenses</b>	<b>2,73,19,789</b>	<b>241.15</b>	<b>3,34,29,032</b>	<b>726.45</b>	<b>1,14,54,516</b>	<b>3091.78</b>
<b>Profit Before exceptional and extraordinary items &amp; taxes</b>	<b>(1,59,90,859)</b>	<b>(141.15)</b>	<b>(2,88,27,351)</b>	<b>(626.45)</b>	<b>(1,10,84,033)</b>	<b>(2991.78)</b>
Exceptional Items	Nil	-	Nil	-	Nil	-
Extraordinary Items	Nil	-	Nil	-	Nil	-
<b>Profit Before Tax</b>	<b>(1,59,90,859)</b>	<b>(141.15)</b>	<b>(2,88,27,351)</b>	<b>(626.45)</b>	<b>(1,10,84,033)</b>	<b>(2991.78)</b>
<b>Tax Expense</b>						
Current Tax	Nil	-	Nil	-	Nil	-
Deferred Tax	(4,120)	(0.04)	(16,209)	(0.35)	35,163	9.49
Earlier Year Income tax	Nil	-	Nil	-	Nil	-
<b>Profit (Loss) for the Period</b>	<b>(1,59,86,739)</b>	<b>(141.11)</b>	<b>(2,88,11,142)</b>	<b>(626.10)</b>	<b>(1,11,19,196)</b>	<b>(3001.27)</b>

### REVIEW OF TEN MONTH PERIOD ENDED JANUARY 31, 2018

#### Revenue from Operations

During the ten month period ended January 31, 2018, the total revenue of our company was Rs. 113.29 lakhs. This is due to web service income and introduction of variety of new products on website.

#### Total Expenses

The operating cost consists of Purchase of stock-in-trade, Employee Benefit Expenses, Finance cost, Depreciation and Administration Expenses. During the ten month period ended January 31, 2018, Total expense was Rs. 273.20 lakhs.

#### Employee expenses

Expenses incurred on labour and its welfare during the ten month period ended January 31, 2018 was Rs. 121.06 lakhs. Employee expense is major expense towards operating activities of the company.

#### ***Finance cost***

Expenses incurred on finance and interest cost during the ten month period ended January 31, 2018 was Rs. 0.24 Lakhs. This was on account of Unsecured Short term loan.

#### ***Depreciation and amortization expense***

During the ten month period ended January 31, 2018, depreciation and amortization expense of our company was Rs. 1.47 Lakhs.

#### ***Other Expense***

Other Expense for ten month period ended January 31, 2018 was Rs. 111.99 lakhs. The expenses consist of Selling and Administrative expense required to increase and manage the business of the company.

#### ***Profit/ (Loss) After Tax***

The Loss for ten month period ended January 31, 2018 was Rs. 159.87 lakhs. This was mainly on account of company is in growing stage and fixed cost required run the business.

### **COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2017 WITH FISCAL 2016**

#### ***Revenue from Operations***

During the year 2016-17, the total revenue of our company has increased to Rs. 45.42 lakhs as against Rs. 1.25 lakhs in year 2015-16. It represents increase of 3533.60% of the total revenue. This revenue increased due to increase in branding and promotion done by company and increase in number of products on company's website.

#### ***Total Expenses***

The operating cost consists of Employee Benefit Expenses, Finance cost, Depreciation and Administration Expenses and Other Expense. During the year 2016-17, Total expense was increased to Rs. 334.29 lakhs from Rs. 114.55 lakhs as compared to year 2015-16 showing increase of 191.83%. This has increased due to overall business also increased during the year.

#### ***Employee expenses***

Expenses incurred on labour and its welfare during the financial year 2016- 17 was Rs. 102.25 lakhs and 2015-16 was Rs. 64.30. This show increase in employees expenses of 59.02% due to increase in business of the company.

#### ***Finance cost***

Expenses incurred on finance and interest cost during the financial year 2016-17 increased to Rs. 0.13 Lakhs from Rs. 0.03 Lakhs in fiscal year 2015-16, showing a increase of 333.33%.

### ***Depreciation and amortization expense***

During the year 2016-17, depreciation and amortization expense of our company has increased to Rs. 3.45 Lakhs as against Rs. 1.35 Lakhs in year 2015-16 showing an increase of 155.55%.

### ***Other Expense***

Administrative & Selling expenses for the year 2016-17 increased to Rs. 228.46 lakhs from Rs. 48.87 lakhs in fiscal year 2015-16. The expenses had been increased due to an increase in selling and distribution expenses of the company.

### ***Profit/ (Loss) After Tax***

The Loss for Financial Year 2016-17 has increased to Rs. 288.11 lakhs from Rs. 111.19 lakhs in Financial Year 2015-16. This was mainly on account of the early stage of the business.

### **Other Key factors that may affect our results of operation:**

#### **1. Unusual or infrequent events or transactions.**

Except as described in this Draft 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 no.19 of this Draft Prospectus respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

#### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.**

Other than as described in the section titled “Risk Factors” beginning on page no.19 of this Draft Prospectus, in our opinion there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

#### **4. Future relationship between Costs and Income.**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and prices quoted by material suppliers and service vendors.

#### **5. Increases in net sales or revenue and Introduction of new products or services or increased sales prices.**

Increases in revenues are by and large linked to increases in volume of business and inception of new projects.

#### **6. Total turnover of each major industry segment in which the Company operated.**

As on date the Company operates in E-commerce Platform and provides various regional products. The details relating to the same has been mentioned in under Section “Restated Financial Statements” and “Industry Overview” beginning on page no.165 and 98.

**7. Status of any publicly announced new products or business segment.**

The Company has not announced any new product and segment / scheme, other than through the Draft Prospectus.

**8. Seasonality of business**

Our Company's business is not seasonal in nature.

**9. Dependence on single or few customers / supplier**

We are in E-commerce business having wide range of products and cater to every individual and hence our clients/customers are non repetitive in nature.

**10. Competitive conditions.**

We face competition from existing and potential 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 “ *Business Overview*” on page no. 110 of this Draft Prospectus.



## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by the Company, its Directors, its Promoters and its Group Companies and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by the Company, defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issued by our Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding Rs. 1 Lakhs, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII to the Companies Act, 1956 or Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against the Company, its Promoters, its Directors and Group Companies.

Further, except as stated herein, there are no past cases in which penalties have been imposed on the Company, its Promoters, its Directors or its Group Companies, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of the Company. Further, there are no cases of litigation, defaults etc. in respect of companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters and its Directors or its Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.

#### LITIGATIONS

##### (A) Pending Litigation - Company

1.	Labour Cases filed against the Company	N.A.
2.	Labour Cases filed by the Company	N.A.
3.	Civil Cases filed against the Company	N.A.
4.	Civil Cases filed by the Company	N.A.
5.	Criminal cases against the company	N.A.
6.	Criminal cases filed by the company	N.A.
7.	Notices served on the Company	N.A.
8.	Tax related matters	N.A.

##### (B) Pending litigation - Promoters

1.	Criminal case against the Company promoter	N.A.
2.	Civil Cases Against Company Promoter	N.A.
3.	Criminal Cases Filed By Company Promoter	N.A.
4.	Civil Case Filed By Company Promoter	N.A.
5.	Cases Relating To Tax Matters	N.A.

##### (C) Pending litigation – Directors

1.	Criminal case against the Company Directors	N.A.
2.	Civil Cases Against Company Directors	N.A.
3.	Criminal Cases Filed By Company Directors	N.A.
4.	Civil Case Filed By Company Directors	N.A.
5.	Cases Relating To Tax Matters	N.A.

**(D) Pending litigation - Promoter Group Companies**

1.	Labour Cases filed against the Company	N.A.
2.	Labour Cases filed by the Company	N.A.
3.	Civil Cases filed against the Company	N.A.
4.	Civil Cases filed by the Company	N.A.
5.	Criminal cases against the company	N.A.
6.	Criminal cases filed by the company	N.A.
7.	Notices served on the Company	N.A.
8.	Tax related matters	N.A.

***\*There is no pending Litigation against the Company “Salebhai Internet Limited” and/or against its Promoters / Directors / Promoter Group Companies.***

***\*The Company has not received any Income Tax Notices or any statutory Notices from Income Tax Departments or from any other regulatory Departments.***

## GOVERNMENT AND OTHER APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake the Offer and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Offer or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following statement sets out the details of licenses, permissions and approvals taken by us under various central and state laws for carrying out our business.*

*For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulations and Policies” beginning on page no. 120 of this Draft Prospectus.*

### A) APPROVALS FOR THE ISSUE

#### Corporate Approvals

1. Our Board has pursuant to a resolution passed at its meeting held on March 06, 2018 under Section 62(1)(c) of the Companies Act 2013, authorized the Fresh Issue of Equity Shares.
2. Our Shareholders have pursuant to a resolution passed at their meeting held on March 28, 2018 under Section 62(1)(c) of the Companies Act 2013, authorized the Fresh Issue Shares.
3. Our Company has obtained an In-principle approval from the BSE SME Platform for listing our Equity Shares through the Letter dated [●].
4. Our Company’s International Securities Identification Number (“ISIN”) is [●].

### B) INCORPORATION DETAILS

1. Certificate of Incorporation dated April 06, 2015 under the name of “Salebhai Internet Private Limited” allotting Corporate Identification Number “U51101GJ2015PTC082801” was issued by the Registrar of Companies, Ahmedabad, Gujarat.
2. A fresh Certificate of Incorporation consequent upon change of name form “Salebhai Internet Private Limited” to “Salebhai Internet Limited” was issued on February 12, 2018 by the Registrar of Companies, Ahmedabad, Gujarat.
3. The Corporate Identity Number (CIN) of the Company is U51101GJ2015PLC082801.

**C) APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY**


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.	Issuing Authority	Registration / License No.	Nature Of Registration / License	Date Of Registration	Valid Upto
<b>I. Under Direct and Indirect Laws</b>					
1.	Registration in Income Tax Department	AAVCS6441F	Allotment of Permanent Account Number (PAN) in the name of “Salebhai Internet Private Limited”	06/04/2015	Perpetual
2.	Income Tax Department, Government of India	AHMS27443D	Allotment of Tax Deduction Account Number (TAN)	2015	Perpetual
3.	Certificate for Registration issued under Services Tax Act	AAVCS6441FSD001	Office of Commissioner of Central Excise and Service Tax	02/06/2015	Perpetual
6.	Government of India and Government of Gujarat*	24AAVCS6441F1Z2	Certificate of Registration for GST	01/07/2017	Perpetual
7.	Ahmedabad Municipal Corporation Ghumasta Dhara*	PII/PRH2/2900023/0110459	Bombay Shop and Establishment Act,1948	16/10/2015	31/12/2015
8.	Ahmedabad Municipal Corporation (Profession Tax Department)	PRC010628000717	Professional Tax Certificate	13/10/2015	Perpetual
9.	Employees Provident Fund Organisation	GJAH1712565000	Allotment of PF Number	20/03/2018	Perpetual
10.	Registrar of Companies, Ahmedabad	U51101GJ2015PTC082801	Certificate of Incorporation in the name of Salebhai Internet Pvt. Ltd.	06/04/2015	Perpetual
11.	Registrar of Companies, Ahmedabad	U51101GJ2015PLC082801	Certificate of Incorporation in the name of Salebhai Internet Ltd.	12/02/2018	Perpetual
12.	CDSL	[●]	Allotment of ISIN No	[●]	[●]
13.	NSDL	[●]	Allotment of ISIN No	[●]	[●]
14.	Employee State	37001121080001017		05/05/2018	Perpetual

Sr. No.	Issuing Authority	Registration / License No.	Nature Of Registration / License	Date Of Registration	Valid Upto
	Insurance Corporation				

\*The Company has applied for renewal of registration for Gumasta Dhara.

**D) INTELLECTUAL PROPERTY**

Sr. No.	Particulars of the Mark	Mark Type	Issuing Authority	Applicant* and Application No.	Class	Application date	Valid Upto
1		Word Mark	Trade Mark Registry	“Salebhai Internet Private Limited” and “3190916”	35	22/02/2016	22/02/2026

\*The Company has made an application bearing No.200700 on 14/03/2018 to the Govt. of India, Trade Mark Registry for the name change of the user under class 35 of the Company from “Salebhai Internet Private Limited” to “Salebhai Internet Limited” consequent upon the conversion of the Company from Private Limited to Public Limited.

**E) THE DETAILS OF DOMAIN NAME REGISTERED IN THE NAME OF THE COMPANY IS:-**

Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant Name and Address	Creation Date	Registration Expiry Date
SALEBHAI.COM	Big Rock solution Limited Whois.bigrock.com IANA ID: 1495	Vishwa Vijay Singh, Salebhai internet private limited, Ahmedabad	22 <sup>th</sup> January, 2015	22 <sup>th</sup> January, 2025

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### *Authority for the Issue*

1. The Fresh Issue of Equity Shares has been authorized by a resolution by the Board of Directors passed at their meeting held on March 06, 2018.
2. The Fresh Issue of Equity Shares has been authorized by a resolution by the EGM passed at their meeting held on March 28, 2018.

Our Company has also obtained all necessary contractual approvals required for the Issue. For further details, refer to the chapter titled “**Government and Other Approvals**” beginning on page no. 196 of this Draft Prospectus.

Our Company has received approval from BSE *vide* their letter dated [●] to use the name of BSE in this Draft Prospectus for listing of the Equity Shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

### *Prohibition by SEBI*

Our Company, Directors, Promoters, members of the Promoter Group and Group Companies or the directors and promoters of our Promoter Companies have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Further, none of our Directors are or were associated with any entities which are engaged in securities market related business and are or registered with SEBI for the same.

The listing of any securities of our Company has never been refused by any of the stock exchanges in India.

### *Association with Securities Market*

None of our Directors are in any manner associated with the securities market and there has been no action taken by SEBI against our Directors or any entity in which our Directors are involved as promoters or directors.

### *Prohibition by RBI or Governmental authority*

Our Company, our Promoters, our Promoter Group, our Group Entities, relatives of our Promoters (as defined under the Companies Act 2013), our Directors and companies with which our Directors are associated as directors or promoters have not been declared as wilful defaulters by RBI / government authorities and there are no violations of securities laws committed by them in the past and no proceedings are pending against them except as details provided in the Chapter titled “**Outstanding Litigations**” beginning on page no. 194 of this Draft Prospectus.

Our Directors have not been declared as defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no such proceedings are pending against our Company or them.

### ***Eligibility for the Issue***

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106M(1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue face value capital is not more than Ten Crores Rupees and we may hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“**SME Exchange**”, in this case being the SME Platform of BSE).

We confirm that:

1. In accordance with regulation 106(P) of the SEBI ICDR Regulations, this Issue is 100% underwritten and that the Lead Manager will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “**General Information**” beginning on page no. 46 of this Draft Prospectus.
2. In accordance with Regulation 106(R ) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the Issue is not less than fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within 8 (Eight) days from the date our Company becomes liable to repay it, than our Company and every officer in default shall, on and from expiry of 8 (Eight) days, be liable to repay such application money, with interest as prescribed under the Companies Act, 2013.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Draft Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing this Draft Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106V of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in the Issue. For further details of the arrangement of market making please refer to paragraph titled ‘**Details of the Market Making Arrangement for the Issue**’ under chapter titled ‘**General Information**’ on page no. 46 of this Draft Prospectus.

***We further confirm that, we shall be complying with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.***

As per Regulation 106M (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 Regulation 49(1) of SEBI (ICDR) Regulations, 2009 shall not apply to us in the Issue.

5. Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated [●] and National Securities Depository Limited dated [●] for establishing connectivity
6. Our Company has a website i.e. [www.salebhai.com](http://www.salebhai.com)



7. There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.

**BSE Eligibility Norms:**

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on BSE SME Platform which states as follows:

**1. The company is incorporated under the Companies Act, 2013.**

Our Company was originally incorporated in Ahmedabad as “Salebhai Internet Private Limited” on April 06, 2015 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. A fresh certificate of incorporation consequent upon conversion of Company to “Salebhai Internet Limited” was issued on February 12, 2018 by the Registrar of Companies, Ahmedabad, Gujarat. The Company’s Corporate Identity Number is U51101GJ2015PLC082801.

**2. The post issue paid up capital of the company shall be atleast Rs. 3 Crore.**

The Post issue paid up capital of the company will be 85,01,110 shares of face value of Rs.10/- aggregating to Rs. 8.50 Crores which is more than Rs. 3 Crore and less than Rs. 25 Crore.

**3. The Company should have track record of atleast 3 years.**

The Company confirms that it does not have a track record of atleast 3 years, however, the Company has a Networth more than Rs. 5 Crore.

**4. The Company should have Networth of atleast Rs. 3 crore.**

As on January 31, 2018 Restated Financials, the company has a Networth of Rs. 610.34 Lakhs

Particulars	January 31, 2018	March 31, 2017	March 31, 2016
Share Capital	62.32	52.45	1.00
Add: Reserves & Surplus	548.02	(219.95)	(111.19)
Less: Preliminary Expenses to the extent written off	Nil	Nil	Nil
<b>Net Worth</b>	<b>610.34</b>	<b>(167.5)</b>	<b>(110.19)</b>

**5. Other Requirements:**

**a) Companies shall mandatorily have a website.**

Our Company has a live and operational website: [www.salebhai.com](http://www.salebhai.com)

**b) The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.**

Our Company has entered into tripartite agreements dated [●] with CDSL and dated [●] with NSDL along with our Registrar and Share Transfer Agent for facilitating trading in dematerialized mode. Also the Equity Shares allotted through the Issue will be in dematerialized mode.

- c) *There should not be any change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment.*

We confirm that there is no change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment.

6. *Certificate from the applicant company / promoting companies stating the following:*

- a) *The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).*

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

- b) *There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.*

There is no winding up petition against our Company, which has been admitted by the court. Also, no liquidator has been appointed.

- c) *No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.*

Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.

*We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE.*

***Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations***

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations 2009. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Issue. Further, our Company has not been formed by the conversion of a partnership firm into a company.

**DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, MONARCH NETWORTH CAPITAL LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER, MONARCH NETWORTH CAPITAL LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE**

THAT THE ISSUER DISCHARGE IT'S RESPONSIBILITY ADEQUATELY IN THIS REGARD AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, MONARCH NETWORK CAPITAL LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MAY 11, 2018 WHICH READS AS FOLLOWS:

WE, THE LEAD MERCHANT BANKER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

- 1 WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;
- 2 ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE DRAFT PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUEAS SUBMITTED BY THE COMPANY;
  - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
- 3 WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- 4 WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.- NOTED FOR COMPLIANCE
- 5 WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT

**OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.**

- 6 WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.**
- 7 WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
- 8 WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 9 WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. –NOTED FOR COMPLIANCE- AS PER TRI-PARTITE AGREEMENT WITH BANKERS TO THE ISSUE.**
- 10 WE CERTIFY THAT ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER.**
- 11 WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12 WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:**

- A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
- B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
- 13 WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE.
- 14 WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
- 15 WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
- 16 WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE), AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2017.
- 17 WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

- 1 WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- 2 WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN. NOTED FOR COMPLIANCE
- 3 WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. - NOTED FOR COMPLIANCE

- 4 **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER. - NOTED FOR COMPLIANCE**
- 5 **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS. - NOT APPLICABLE**
- 6 **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.- NOTED FOR COMPLIANCE**

**NOTE:**

**THE FILING OF THIS DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER SECTION 34 AND SECTION 36 OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT PROSPECTUS.**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Ahmedabad, Gujarat *in terms of sections 26 and 32 of the Companies Act, 2013.*

*The filing of this Prospectus does not, however, absolve our company from any liabilities under section 34, Section 35, Section 36 and section 38(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead Manager any irregularities or lapses in this Draft Prospectus.*

**DISCLAIMER CLAUSE OF THE BSE SME PLATFORM**

As required, a copy of this Offer Document has been submitted to Bombay Stock Exchange (BSE Ltd.) (hereinafter referred to as BSE). BSE has given vide its letter [●] permission to the Company to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company.

It is to be distinctly understood that the aforesaid permission given by BSE should not in any way be deemed or construed that the offer document has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Company's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Company, its Promoter, its management or any scheme or project of this Company.

Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever



by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, [www.salebhai.com](http://www.salebhai.com) would be doing so at his or her own risk.

#### **CAUTION**

We the Lead Manager/Merchant Bankers, *Monarch Networth Capital Limited*, have taken reasonable and due care and have primarily verified the documents submitted by the Company, Promoters as well as collaborated the same with the Auditors, public records to establish reasonable certainties as to the statement made by the Promoters /directors to prepare this document as required by Securities and Exchange Board of India (SEBI) and Company Law.

The Lead Manager, *Monarch Networth Capital Limited*, does not in any way vouch about the future performance of the company and investors are advised to obtain independent financial advice for their decisions.

The Lead Manager, *Monarch Networth Capital Limited*, accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered into between the Lead Manager and our Company dated March 06, 2018, the Underwriting Agreement dated April 02, 2018, entered into between the Underwriter and our Company and the Market Making Agreement dated April 02, 2018, entered into among the Market Maker and our Company.

Our Company, our Directors and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, etc.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation. *Monarch Networth Capital Limited* is not an 'associate' of the company and is eligible to act as Lead Manager in this issue, under the SEBI (Merchant Bankers) Regulations, 1992.

**Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.**



**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER – MONARCH NETWORK CAPITAL LIMITED**

**TABLE 1- Disclosure of Price Information of Past Issues Handled By Merchant Banker(s)**

Sr. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	Looks Health Services Limited (Formerly known as Monarch health Services Limited)	12.00	40.00	30-05-2012	42.00	29 <sup>th</sup> June, 2012 – 40.25 -4.17% [+6.85%]	28 <sup>th</sup> Aug, 2012- 40.25 -4.17 [+8.09%]	26 <sup>th</sup> Nov, 2012- 83.00 +97.62% [+13.64%]
2	VCU Data Management Limited	18.75	25.00	23-10-2013	36.25	22 <sup>th</sup> Nov, 2013- Rs.34.40 -5.1% [-2.65%]	21 <sup>st</sup> Jan, 2014- Rs.28.15 +22.34% [+2.33%]	21 <sup>st</sup> April, 2014- Rs.27.00 -25.52% [+9.62%]
3	SPS Finquest Limited	25.08	75.00	03-06-2014	78.00	3 <sup>rd</sup> July, 2014- Rs.78.90 +1.15% [+3.88%]	31 <sup>st</sup> Aug, 2014- 77.00 (-1.28%, +7.16%	29 <sup>th</sup> Nov, 2014- 83.00 (+6.41%, +15.43%
4	Relstruct Buildcon Limited	23.35	50.00	05-04-2017	50.00	5 <sup>th</sup> May 2017- 36.00 (-28%, -0.39%	4 <sup>th</sup> July 2017- 39.00 (-22%, +4.12%	2 <sup>nd</sup> October 2017- 35.40 (-29.2%, +4.37%)
5	Felix Industries Limited	4.78	35.00	05-12-2017	35.50	3 <sup>rd</sup> January 2018- 35.25 (-0.7%, +3.21%	4 <sup>th</sup> March 2018- 32.25 (-9.15%, +3.36%	-
6	Bombay Super Hybrid Seeds Limited	10.39	60.00	25-04-2018	60.00	--	--	--
7.	Aakash Exploration Services Limited	10.08	56.00	27-04-2018	55.75	-	-	-

**TABLE2: SUMMARY STATEMENT OF DISCLOSURE**

Financial Year	Total no. of IPOs	Total Amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount-180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2012-13	1	12.00	0	0	0	0	0	1	0	0	0	1	0	0
2013-14	1	18.75	0	0	0	0	1	0	0	0	0	0	0	1
2014-15	1	25.08	0	0	0	0	0	1	0	0	0	0	0	1
2017-18	2	28.13	0	1	0	0	0	1	0	1	0	0	0	0
2018-19	2	10.39	-	-	-	-	-	-	-	-	-	-	-	-

\*Felix Industries Limited was listed on 5<sup>th</sup> December 2017 therefore the data after 90<sup>th</sup> calendar day for Felix Industries Limited has not been incorporated in the above table as it is not available.

\* Bombay Super Hybrid Seeds Limited was listed on 25<sup>th</sup> April 2018 therefore the data for 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> calendar day for Bombay Super Hybrid Seeds Limited has not been incorporated in the above table as it is not available.

\* Aakash Exploration Services Limited was listed on 27<sup>th</sup> April 2018 therefore the data for 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> calendar day for Aakash Exploration Services Limited has not been incorporated in the above table as it is not available.

**Notes:**

- The opening price is based on the date of listing.
- BSE SENSEX and NSE NIFTY have been considered as the Benchmark Index.
- Prices on BSE / NSE are considered for all the above information.
- In case 30th / 90th / 180th day is not a trading day, closing price on BSE / NSE of the next trading day has been considered.
- In case, on 30th / 90th / 180th day, scrips are not traded, then the previous trading price has been considered.
- As per SEBI Circular no. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should disclose maximum 10 Public Issues handled by us during the last three Financial Year including the current financial year. Hence, disclosure pertaining to recent Public Issues are only provided.

For details regarding track record of Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: [www.mnclgroup.com](http://www.mnclgroup.com)

**DISCLAIMER IN RESPECT OF JURISDICTION**

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident

funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FIIs, Eligible NRIs, QFIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company, this Draft 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 Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Draft Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "US 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 of the US Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the US Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the US Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

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

#### ***Filing***

The Draft Prospectus/ Prospectus are being filed with Bombay Stock Exchange of India Limited, Exchange P. J. Towers, Dalal Street, Fort, Mumbai – 400 001, Maharashtra.

A copy of this Draft Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the offer document in term of Regulation 106(O) (1) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at SEBI Western Regional Office, SEBI Unit No. 002, Ground Floor SAKAR I near Gandhigram Railway Station, Opposite Nehru Bridge, Ashram Road, Ahmedabad- 380009, Gujarat, for their record purpose only.

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 ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013.

### ***Listing***

Our company has obtained approval from BSE vide letter dated [●] to use name of BSE in this offer document for listing of equity shares on SME Platform.

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is requirement of obtaining In principle approval from SME Platform of BSE. However, applications will be made to the BSE-SME Platform for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE, the Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. If such money is not repaid within Eight days after our Company becomes liable to repay it then our Company and every officer in default shall, on and from such expiry of Eight days, be liable to repay such application money, with interest at the rate of 15% per annum on application money, as prescribed under 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 BSE-SME Platform mentioned above are taken within Six Working Days from the Issue Closing Date.

### ***Impersonation***

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who –

- a. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- b. Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. otherwise induces directly or indirectly a company to allot or register any transfer of securities to him, or to any other person in a fictitious name

Shall be liable to action under section 447 of the Companies Act, 2013.

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, 249 such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

### ***Consents***

We have obtained consents in writing of our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Chief Executive Officer, the Lead Manager, Registrar to the Issue, Peer Reviewed Auditor to the Company, the Statutory Auditor, the Legal Advisor to the Issue and Banker(s) to the Company. We will obtain consents in writing of the Market Maker(s), Underwriter(s), and the Banker(s) to the Issue/ Escrow Collection Bank(s) to act in their respective capacities. These consents will be filed along with a copy of the Prospectus with the ROC as required under Sections Section 26 of the Companies Act, 2013. Further, such consent and report will not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2009, S. D. Mota & Associates, Chartered Accountants, our Peer Review Auditors have agreed to provide their respective written consents for inclusion of their name, report on financial statements and report relating to the possible general and special tax benefits, as applicable, accruing to our Company and its shareholders, in this Draft Prospectus in the form and context in which they appear in this Draft Prospectus.

### ***Expert Opinion To The Issue***

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

Our Company has received consent from the Peer Review Auditor of the Company to include their name as an expert as per Section 26 of the Companies Act 2013 in this Draft Prospectus in relation to the (a) Auditors' reports on the restated financial statements; and (b) Statement of Tax Benefits and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

### ***Issue Related Expenses***

The expenses of the Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. For details of total expenses of the Issue, see the chapter titled "***Objects of the Issue***" beginning on page no. 79 of this Draft Prospectus.

### ***Details Of Fees Payable***

#### ***Fees Payable to the Lead Manager***

The total fees payable to the Lead Manager will be as per the Issue Agreement dated March 06, 2018, has been executed between our Company and the Lead Manager, a copy of which is available for inspection at our Registered Office.

#### ***Underwriting Commission, Brokerage and Selling Commission***

The underwriting and selling commission for the Issue is as set out in the Underwriting Agreement dated April 02, 2018, between our Company, the Lead Manager, Market Maker and Underwriter, a copy of which is available for inspection at our Registered Office. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

### ***Fees Payable to the Market Maker(s)***

The fees payable to the Market Maker(s) to the Issue will be as per the Market Making Agreement dated April 02, 2018, between our Company, Lead Manager and Market Maker, a copy of which is available for inspection at our Registered Office.

### ***Fees Payable to the Registrar to the Issue***

The fees payable to the Registrar to the Issue will be as per the Memorandum of Understanding dated February 02, 2018 executed between our Company and the Registrar to the Issue, a copy of which is available for inspection at our Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp-duty and communication expenses. Adequate funds will be provided by our Company to the Registrar to the Issue to enable them to send refund orders or Allotment advice by registered post/ speed post/ under certificate of posting.

### ***Fees Payable to Others***

The total fees payable to the Legal Advisor, Auditor, and Advertiser, *etc.* will be as per the terms of their respective engagement letters.

### ***Previous Rights And Public Issues During The Last Five Years***

We have not made any previous rights and/or public issues during the last five years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2009, amended from time to time and the Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2009, amended from time to time.

### ***Companies Under The Same Management***

No Company under the same management as the Company within the meaning as prescribed in the Companies Act, 2013, has made any public issue (including any rights issues to the public) during the last three (3) years.

### ***Previous Issues Of Shares Otherwise Than For Cash***

Except as stated in the chapter titled “***Capital Structure***” beginning on page no. 54 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

### ***Commission And/ Or Brokerage On Previous Issues***

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since inception.

### ***Particulars in regard to our company and other listed companies under the same management within the meaning as prescribed in the companies act, 2013 which made any capital issue during the last three years:***

There are no listed companies under the same management within the meaning as prescribed in the Companies Act, 2013 that made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

### ***Promise Versus Performance For Our Company***

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2009, and the Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2009. Therefore, data regarding promise versus performance is not applicable to us.

None of the Group Companies has made public issue of equity shares during the period of ten years immediately preceding the date of filing of this Draft Prospectus with the BSE.

### ***Outstanding Debentures, Bonds, Redeemable Preference Shares And Other Instruments Issued By Our Company***

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

### ***Option To Subscribe***

Equity Shares being offered through this Draft Prospectus shall be applied for in dematerialized form only.

### ***Stock Market Data For Our Equity Shares***

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2009, and the Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2009. Thus there is no stock market data available for the Equity Shares of our Company.

### ***Mechanism For Redressal Of Investor Grievances***

The Company has appointed ***Skyline Financial Services Private Limited*** as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

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

We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be fifteen business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Memorandum of Understanding between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of Allotment and demat credit to enable the investors to approach the Registrar to this Issue for redressal of their grievances.



All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA Applicants.

#### ***Disposal Of Investor Grievances By Our Company***

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be 15 (Fifteen) Working Days from the date of receipt of the complaint. In case of non- routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholder's Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on March 30, 2018. For further details, please refer to the chapter titled "***Our Management***" beginning on page no. 139 of this Draft Prospectus.

Our Company has appointed Ms. Chitra Thaker as the Company Secretary and Compliance Officer and she may be contacted at the following address:

**Ms. Chitra Thaker**  
**Company Secretary & Compliance Officer**  
**Salebhai Internet Limited**  
Tel. No.: 079-48999917  
Email: [compliance@salebhai.com](mailto:compliance@salebhai.com)  
Website: [www.salebhai.com](http://www.salebhai.com)

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-issue or post-issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account *etc.*

#### ***Changes In Auditors During The Last Three Financial Years***

Sunil Dad & Co., Chartered Accountants were the Statutory Auditor for the financial year ending 31<sup>st</sup> March 2016 and 31<sup>st</sup> March 2017, hence there has been no change in auditors of our company since incorporation.

#### ***Capitalization Of Reserves Or Profits***

Save and except as stated in the chapter titled "***Capital Structure***" beginning on page no. 54 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

#### ***Revaluation Of Assets***

Our Company has not revalued its assets since incorporation.

## SECTION VIII – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Draft Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated 10th November, 2015. All the investors applying in a public issue shall use only Application Supported by blocked Amount (ASBA) facility for making payment. Further vide the said circular Registrar to the Issue and DP's have been also authorized to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Authority for the Issue**

The present Public Issue of 22,59,600 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on March 06, 2018 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on March 28, 2018 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including 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 see the section titled "Main Provisions of Articles of Association of the Company" beginning on page no. 282 of this Draft Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer the chapter titled "Dividend Policy" on page no. 164 of this Draft Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a Face Value of Rs.10.00 each are being offered in terms of this Draft Prospectus at the price of Rs.105/-per equity Share (including premium of Rs.95/-per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled "Basis for Issue

Price” beginning on page no. 93 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

***Compliance with the disclosure and accounting norms***

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

**Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

1. Right to receive dividend, if declared;
2. Right to receive Annual Reports & notices to members;
3. Right to attend general meetings and exercise voting rights, unless prohibited by law;
4. Right to vote on a poll either in person or by proxy;
5. Right to receive offer for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
7. Right of free transferability of the Equity Shares; and
8. Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled “Main Provisions of Articles of Association of the Company” beginning on page no. 282 of this Draft Prospectus.

***Minimum Application Value, Market Lot and Trading Lot***

As per regulations made under and Section 29 of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated [●] between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated [●] between CDSL, our Company and Registrar to the Issue; and

The trading of the Equity Shares will happen in the minimum contract size of 1,200 Equity Shares and the same may be modified by the SME platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 1,200 Equity Shares and is subject to a minimum allotment of 1,200 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

*Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.*

### ***Minimum Number of Allottees***

The minimum number of allottees in the Issue shall be 50. In case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

### ***Joint Holders***

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### ***Nomination Facility to Investor***

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

1. To register himself or herself as the holder of the Equity Shares; or
2. 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 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, 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 investors require changing the nomination, they are requested to inform their respective depository participant.

### ***Period of Operation of Subscription List of Public Issue***

<b>ISSUE OPENS ON</b>	[●]
<b>ISSUE CLOSES ON</b>	[●]

### ***Underwriting and Minimum Subscription***

*In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through this Draft Prospectus and shall not be restricted to the minimum subscription level.*

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 issue of Prospectus or within such time period as specified by SEBI, the application money has to be returned within 15 days as prescribed under the Companies Act, 2013.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (sixty) days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 (eight) days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under Section 39 read with Rule 11 of Companies(Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 and other applicable laws, if any.

In accordance with Regulation [106R] of SEBI ICDR Regulations, The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

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, in accordance with Regulation 106R of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum number of Allottee`s in the Issue shall be 50 (Fifty) shareholders and the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakhs per application. In case the minimum number of prospective Allottee`s is less than 50 (Fifty), no Allotment will be made pursuant to the Issue and the monies collected shall be refunded within 15 days of closure of the Issue.*

*Further, in accordance with Regulation 106 Q of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.*

### ***Arrangements for disposal of odd lots***

The trading of the Equity Shares will happen in the minimum contract size of 1,200 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 Exchange.

### ***Application by Eligible NRIs, FPIs or VCFs registered with SEBI***

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

***As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.***

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### ***Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting***

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the chapter titled "*Capital Structure*" beginning on page on. 54 of this Draft Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details please see the section titled "*Main Provisions of the Articles of Association*" beginning on page no. 282 of this Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

#### ***Option to receive Equity Shares in Dematerialized Form***

As per section 29(1) of the new Companies Act 2013, every company making public offer shall issue securities only in dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange.

#### ***Migration to Main Board***

Our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the **BSE** as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above Rs.25 Crore by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-



principal approval from the main board), we shall have to apply to BSE for listing our shares on its main board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the main board or

- If the Paid-Up Capital of our Company is more than Rs.10.00 Crore and up to RS.25.00 Crore, our company may still apply for migration to the Main Board. If our Company fulfils the eligibility criteria for listing laid down by the Main Board of BSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares offered through this Issue are proposed to be listed on the SME platform of BSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of BSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please see the chapter titled "General Information - Details of the Market Making Arrangements for this Issue" beginning on page no. 52 of this Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

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

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.



### ***Pre-Issue Advertisement***

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

### ***Jurisdiction***

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Ahmedabad, Gujarat, 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, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M) (1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is less than Rs. 10 Crore, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapters titled “Terms of the Issue” and “Issue Procedure” beginning on page nos. 216 and 226 of this Draft Prospectus.

### Following is the issue structure:

The Issue comprises a Public Issue of 22,59,600 Equity Shares of Face Value of Rs.10/- each fully paid (The “Equity Shares”) for cash at a price of Rs.105/-per Equity Shares (including a premium of Rs.95/-per equity share) aggregating to Rs.2372.58 lakhs (“the issue”) by our Company of which 1,16,400 Equity Shares of Rs.10/- each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 21,43,200 Equity Shares of Rs.10/- each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute 26.58% and 25.21 % respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Fixed Price Issue Process:

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	21,43,200 Equity Shares	1,16,400 Equity Shares
Percentage of Issue Size available for allocation	94.85% of the Issue Size	5.15% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 1,200 Equity Shares and further allotment in multiples of 1,200 Equity Shares each. For further details please see chapter titled “Issue Procedure - Basis of Allotment” beginning on page no. 239 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applications shall make the application (Online or Physical) through ASBA Process Only	Through ASBA Process Only
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Minimum Application Size	<p><b><u>For Other than Retail Individual Investors:</u></b></p> <p>Such number of Equity Shares in multiples of 1,200 Equity Shares at an Issue price of Rs. 105/-each, such that the Application Value exceeds Rs. 2.00 Lakh.</p> <p><b><u>For Retail Individuals Investors:</u></b></p> <p>1,200 Equity Shares at an Issue price of Rs. 105/-each</p>	1,16,400 Equity Shares

Maximum Application Size	<p><b><u>For Other than Retails Individual Investors:</u></b></p> <p>The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.</p> <p><b><u>For Retail Individuals Investors:</u></b></p> <p>Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Value does not exceed Rs. 2.00 Lakh</p>	1,16,400 Equity Shares
Trading Lot	1,200 Equity Shares	1,200 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Application lot Size	1,200 Equity Shares thereafter Equity Shares and in multiples of 1,200	
Terms of Payment	Full Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Applicant that is specified in the Application Form at the time of submission of the Application Form.	

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please see chapter titled to “*Issue Structure*” beginning on page no. 223 of this Draft Prospectus.

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

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
  - (i) Individual Applicant other than retail Individual Investors; and
  - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

***If the retail individual investor category is entitled to more than fifty percent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.***

#### **Withdrawal of the Issue**

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

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. 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 Issue, 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-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, 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.

**Issue Programme**

<b>ISSUE OPENING DATE</b>	[●]
<b>ISSUE CLOSING DATE</b>	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by Lead Manager to BSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”) included below under section “-PART B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)(Fifth Amendment)Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days.

**Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change.** Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

**Our Company and the Lead Manager are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Draft Prospectus.**

### PART A

#### **Fixed Price Issue Procedure**

The Issue is being made under Regulation 106(M) (1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended via Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the non retail portion offered to investors including QIBs and NIIs Applicants is less than 50%, then the balance Equity Shares in that portion will be added to Retail Individual and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Applicants are required to submit their Applications to the Designated 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. Further the Equity shares on allotment shall be trade only in the dematerialized segment of the Stock Exchange, as mandated by SEBI. However, the investors may get the equity shares rematerialized subsequent to allotment.

### **Application Form**

***In accordance with Regulation 58 of SEBI ICDR Regulation, 2009 (as amended) and SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, SEBI had with effect from 1<sup>st</sup> January, 2016, made it mandatory for all the Investors applying in a public issue to use only Application Supported by Blocked Amount (ASBA) facility for making payment.***

The prescribed color of the Application Form for various categories applying in this issue are as follows:

Category	Color
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called "**Designated Intermediaries**")

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
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')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*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 a proof of having accepted the application form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

### ***Availability of Prospectus and Application Forms***

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com).

### ***Who can apply?***

In addition to the category of Applicants as set forth under “General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

### **Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

### ***Maximum And Minimum Application Size***

#### **1. For Retail Individual Applicants**

The Application must be for a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.



## 2. **For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs.2,00,000 and in multiples of 1,200 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2, 00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

### *Participation by Associates /Affiliates of Lead Manager and the Syndicate Members*

The Lead Manager, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the Lead Manager and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

### *Option To Subscribe In The Issue*

- a) As per Section 29 (1) of the Companies Act, 2013, all the shares shall be issued in dematerialized form in compliance with the provisions of the Depositories act, 1996 and the regulations made there under, thus, the investors should note that Allotment of Equity Shares to all successful applicants will only be in the dematerialized form and the Investors will not have the option of getting allotment of specified securities in physical form.
- b) The Equity Shares, on Allotment, shall be traded on stock exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/ minimum number of specified securities that can be held by him/her/ it under the relevant regulations/ statutory guidelines and applicable laws.

***Information for the Applicants:***

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the ROC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the ROC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridge Prospectus and copies of the Prospectus will be available with the, the Lead Managers, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office or the Corporate office of Lead Manager.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs) , the relevant SCSB , shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

### ***Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis***

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

### ***Applications by eligible NRIs/ FPI's on Repatriation Basis***

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of 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 the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

### **As Per The Current Regulations, The Following Restrictions Are Applicable For Investments By FPIs.**

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFC) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014, hold 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 from the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - b) Nothing contained in clause (a) shall apply to:
    - 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 issue 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:
    - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
    - ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
    - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
    - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
    - vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
    - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - viii. Any other transaction specified by 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 regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.
4. 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.
5. The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

6. 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.
7. 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.
8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority
- b) Such offshore derivatives instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly.

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to 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 issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the 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.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

### ***Application by Mutual Funds***

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### ***Applications by Limited Liability Partnerships***

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

### ***Applications by Insurance Companies***

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager, reserve the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended, are broadly set forth below:

- a) equity shares of a company: 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of life insurance or 10% of investment assets in case of general insurance business/ Re-insurance business/ Health Insurance business; whichever is lower.
- b) the entire group of the investee company: Not more than 15% of the respective fund in case of a life insurance business or a general insurance or reinsurance or health insurance and not more than 5% of investment asset in all companies belonging to the Promoter group; and
- c) The industry sector in which the investee company belongs: Not more than 15 % of the respective fund in case of a life insurance business or a general insurance or reinsurance or health insurance.



### ***Applications under Power of Attorney***

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lakhs and pension funds with minimum corpus of Rs. 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

### ***Application by Provident Funds/Pension Funds***

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Draft Prospectus.



### ***Method and Process of Applications***

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be.
11. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account.
12. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

### ***Terms of payment***

The entire Issue Price of Rs. 105/- per Equity Share is payable on application. In case of Allotment of lesser number of Equity Shares than the number applied, the SCSBs shall unblock the excess amount paid on Application as per the instruction received by the Registrar to the Public Issue Bank Account.

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, cheque, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, cheque, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Pursuant to SEBI circular no.-CIR/CFD/POLICYCELL/11/2015 dated 10<sup>th</sup> November, 2015 all the Applicants have to compulsorily apply through the ASBA Mode only.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### ***Electronic Registration of Applications***

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions 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. with respect to applications by Applicants, applications accepted and uploaded by any Designated 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 responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
  
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated 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.
  
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into 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;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.

8. 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 ASBA Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the 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 as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. 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 Draft Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### ***Basis of Allotment***

Allotment will be made in consultation with 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 here:

1. 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).
2. 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).

3. The total number of Shares to be allocated to retail Individual Investors shall be minimum 1,200 Equity Shares at an Issue prices of Rs. 105/- each and thereafter such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Value does not exceed Rs. 2,00,000/- .
4. The total number of Shares to be allocated to other than retail Individual Investors shall be minimum 1,200 Equity Shares at an Issue prices of Rs. 105/- each and thereafter such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Value exceed Rs. 2,00,000/- subject to limits the investor has to adhere under the relevant laws and regulations applicable.
5. For applications where the proportionate allotment works out to less than 1,200 Equity Shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted 1,200 Equity Shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the withdrawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
6. If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,200 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1,200 Equity Shares subject to a minimum allotment of 1,200 Equity Shares.
7. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 1,200 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
8. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
9. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue 'the allocation' is the net offer to the public category shall be made as follows:
  - a) Minimum fifty percent to retail individual investors; and
  - b) Remaining to
    - (i) Individual applicants other than retail individual investors; and
    - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
  - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be made available for allocation to the applicants in the other category, if so required.

*If the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.*

Retail Individual Investor means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of BSE.

The Executive Director / Managing Director of the SME Platform of BSE, Designated Stock Exchange in addition to Lead Merchant Banker and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

### ***Allocation of Equity shares***

1. The Issue is being made through the Fixed Price Process wherein 1,16,400 Equity Shares shall be reserved for Market Maker and 10,71,600 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non Retail Applicants.
2. Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

### ***Designated Date and Allotment of Equity Shares***

On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

Our Company will ensure that (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within 6 Working Days of the Issue Closing Date.

In accordance with section 29(1) of the Companies Act, 2013, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees.

Allottees will have the option to re-materialize the Equity Shares so allotted as per the provisions of the Companies Act and the Depositories Act. However, trading in the Equity shares of the Company shall be done only in dematerialized form.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be credited to their depository account pursuant to this Issue.

### ***Issuance of Allotment Advice***

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.

Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the 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 the Depository Participant and the 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 the ASBA account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to not release the funds blocked in the ASBA Account under the ASBA process;
- 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 the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

### Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply for 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 SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- 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 Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;



- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than five applications from one bank account.

### ***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 Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of ETA 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) and NSE i.e. [www.nseindia.com](http://www.nseindia.com).

### ***Permanent Account Number or PAN***

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Please note that, Central or State Government and the officials appointed by the courts and investors residing in the State of Sikkim are exempted from specifying their PAN subject to the Depository Participants’ verifying the veracity of such claims of the investors in accordance with the conditions and procedures under this section on Issue Procedure.

### ***Applicant’s Depository Account and Bank Details***

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.

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, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. Hence, Applicants are advised to immediately update their details as appearing on the records of the depository participant. Please note that failure to do so could result in non-receipt of any correspondence to Applicants at the Applicants sole risk and neither the Lead Managers or the Registrar or the Bankers to the Issue

or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### ***Submission of Application Form***

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### ***Joint Applications in the case of Individuals***

Applications may be made in single or joint names (not). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

### ***Multiple Applications***

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

All applications are electronically strung on first name, address (1<sup>st</sup> line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications:

- i) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.
- iii) For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

No separate applications for demat and physical is to be made. If such applications are made, the applications for physical shares will be treated as multiple applications and rejected accordingly.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB and Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post Allotment and released on confirmation of “know your client” norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

#### ***Signing of Underwriting Agreement***

This issue is 100 % Underwritten. The Company has entered into Underwriting agreement dated April 02, 2018 with Monarch Network Capital Limited.

#### ***Filing of the Prospectus with the ROC***

The Company will file a copy of the Prospectus with the ROC in terms of Section 26 of the Companies Act, 2013.

#### ***Pre-Issue Advertisement***

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

#### ***Communications***

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### ***Disposal of Application and Application Moneys and Interest in Case of Delay***

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (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 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) working days from the Issue Closing Date;
2. Instruction to SCSBs to unblock funds given to the clearing system within 4 (four) working days of the Issue Closing Date would be ensured; and
3. The Company shall pay interest at 15% p.a. for any delay beyond the 6 (Six) working days time period as mentioned above, if Allotment is not made and Instruction to SCSBs to unblock funds are not given and/or demat credits are not made to investors within the 4 (four) working days time.

#### ***Right to Reject Applications***

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

#### ***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."***

***Section 447 of the Companies Act, 2013, is reproduced as below: "Without Prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud, shall be punishable with imprisonment for a term which shall not be less than six months but which may exceed to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.***

***Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.”***

#### ***Undertakings by Our Company***

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date.
- 3) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 4) That the our Promoters' contribution in full has already been brought in;
- 5) That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
- 6) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

#### ***Utilization of Issue Proceeds***

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### ***Equity Shares in Dematerialized Form with NSDL or CDSL***

To enable all shareholders of our Company to have their shareholding in electronic form, the Company will sign the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated [●] between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated [●] between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. [●]

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.

Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.

The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis a vis those with his or her Depository Participant.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

***Procedure and time of Schedule for allotment and issue of Certificates***

As per SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated 10<sup>th</sup> November, 2015 which relates to streamlining the process for Public Issue of Equity Shares and Convertibles, SEBI has indicated timeline schedule for various activities related to public issue which is mentioned hereunder:

Sl. No.	Details of Activities	Due Date(working day*)
1.	An investor, intending to subscribe to a public issue, shall submit a completed bid-cum-application form to any of the following intermediaries: i. an SCSB, with whom the bank account to be blocked, is maintained ii. a syndicate member (or sub-syndicate member) iii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker') iv. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) v. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)	Issue opening date to issue closing date (where T is issue closing date)
2.	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	

	<p>electronic mode, respectively.</p> <p>(i) <u>For applications submitted by investors to SCSB:</u> 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.</p> <p>(ii) <u>For applications submitted by investors to other intermediaries:</u> After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s).</p> <p>Stock exchange(s) shall validate the electronic bid details with depository's records for DP ID, Client ID and PAN, by the end of each bidding day and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.</p> <p>Stock exchange(s) shall allow modification of selected fields in the bid details already uploaded on a daily basis.</p>																							
3.	Closing of Issue	T (Issue closing date)																						
4.	<p>Stock exchange(s) shall allow modification of selected fields (till 01:00 PM) in the bid details already uploaded.</p> <p>Registrar shall get the electronic bid details from the stock exchanges by end of the day.</p> <p>Syndicate members, brokers, DPs and RTAs shall forward a schedule as per format given below along with the application forms to designated branches of the respective SCSBs for blocking of funds.</p> <table border="1" data-bbox="263 1391 991 1832"> <thead> <tr> <th>Field No.</th> <th>Details*</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Symbol</td> </tr> <tr> <td>2</td> <td>Intermediary Code</td> </tr> <tr> <td>3</td> <td>Location Code</td> </tr> <tr> <td>4</td> <td>Application No.</td> </tr> <tr> <td>5</td> <td>Category</td> </tr> <tr> <td>6</td> <td>PAN</td> </tr> <tr> <td>7</td> <td>DP ID</td> </tr> <tr> <td>8</td> <td>Client ID</td> </tr> <tr> <td>9</td> <td>Quantity</td> </tr> <tr> <td>10</td> <td>Amount</td> </tr> </tbody> </table> <p>(*Stock exchange(s) shall uniformly prescribe character length for each of the above-mentioned fields)</p>	Field No.	Details*	1	Symbol	2	Intermediary Code	3	Location Code	4	Application No.	5	Category	6	PAN	7	DP ID	8	Client ID	9	Quantity	10	Amount	T+1
Field No.	Details*																							
1	Symbol																							
2	Intermediary Code																							
3	Location Code																							
4	Application No.																							
5	Category																							
6	PAN																							
7	DP ID																							
8	Client ID																							
9	Quantity																							
10	Amount																							



	<p>SCSBs shall continue / begin blocking of funds.</p> <p>Designated branches of SCSBs may not accept schedule and applications after T+1 day.</p> <p>Registrar shall give bid file received from stock exchanges containing the application number and amount to all the SCSBs who may use this file for validation / reconciliation at their end.</p>	
5.	<p>Issuer, merchant banker and registrar shall submit relevant documents to the stock exchange(s) except listing application, allotment details and demat credit and refund details for the purpose of listing permission.</p> <p>SCSBs shall send confirmation of funds blocked (Final Certificate) to the registrar by end of the day.</p> <p>Registrar shall reconcile the compiled data received from the stock exchange(s) and all SCSBs (hereinafter referred to as the “reconciled data”).</p> <p>Registrar shall reject multiple applications determined as such, based on common PAN.</p> <p>Registrar shall undertake “Technical Rejection” test based on electronic bid details and prepare list of technical rejection cases.</p>	T+2
6.	<p>Finalisation of technical rejection shall be done and minutes of the meeting between issuer, lead manager, registrar shall be prepared.</p> <p>Registrar shall finalise the basis of allotment and submit it to the designated stock exchange for approval.</p> <p>Designated Stock Exchange(s) shall approve the basis of allotment.</p> <p>Registrar shall prepare funds transfer schedule based on approved basis of allotment.</p> <p>Registrar / Issuer shall initiate corporate action to carry out lock-in for pre-issue capital held in depository system.</p> <p>Registrar and merchant banker shall issue funds transfer instructions to SCSBs.</p>	T+3
7.	<p>Registrar shall receive confirmation for pre-issue capital lock-in from depositories.</p> <p>SCSBs shall credit the funds in public issue account of the issuer and confirm the same.</p> <p>Issuer shall make the allotment.</p> <p>Registrar / Issuer shall initiate corporate action for credit of shares</p>	

	<p>to successful allottees.</p> <p>Issuer and registrar shall file allotment details with designated stock exchange(s) and confirm all formalities are complete except demat credit.</p> <p>Registrar shall send bank-wise data of allottees, amount due on shares allotted, if any, and balance amount to be unblocked to SCSBs.</p>	T+4
8.	<p>Registrar shall receive confirmation of demat credit from depositories.</p> <p>Issuer and registrar shall file confirmation of demat credit, lock-in and issuance of instructions to unblock ASBA funds, as applicable, with stock exchange(s).</p> <p>Issuer shall make a listing application to stock exchange(s) and stock exchange(s) to give listing and trading permission.</p> <p>Issuer, merchant banker and registrar shall publish allotment advertisement before the commencement of trading, prominently displaying the date of commencement of trading, in all the newspapers where issue opening/closing advertisements have appeared earlier.</p> <p>Stock exchange(s) shall issue commencement of trading notice.</p>	T+5
9.	Commencement of Trading	T+6
*Working days will be all trading days excluding Sundays and bank holidays		

## PART B

### GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue

#### **Section 1: Purpose of the General Information Document (GID)**

This document is applicable to the public issues undertaken inter-alia through the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”) as amended.

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **Lead Manager(s)** to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

#### **Section 2: Brief Introduction to IPOs on SME Exchange**

##### **2.1 Initial public offer (IPO)**

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009 if applicable. For details of compliance with the eligibility requirements by the Issuer Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under Chapter XB of SEBI (ICDR) regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.

- Regulation 106M (2): An issuer whose post-issue face value capital is more than ten crore rupees and upto twenty five crore rupees, may also issue its specified securities in accordance with provisions of this Chapter.

The present Issue 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 SEBI (ICDR) Regulation, Issue has to be 100% underwritten and the Lead Manager has to underwrite at least 15% of the total issue size.
- b) In accordance with regulation 106(R) of SEBI (ICDR) Regulation, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise the entire application money will be blocked forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.
- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, 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) Regulation, the Lead Manager has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- e) The issuer shall mandatorily facilitate trading in demat securities
- f) The issuer should not been referred to Board for Industrial and Financial Reconstruction.
- g) No petition for winding up is admitted by a court of competent jurisdiction against the Issuer.
- h) 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.
- i) The company should have a website
- j) There has been no change in the promoter(s) of the company in the 1 year preceding the date of filing application to BSE for listing on SME segment.

- k) The Issuer / Company shall have Net Tangible assets of at least Rs. 3 Crore as per the latest audited financial results.
- l) The Net worth (excluding revaluation reserves) of the Issuer / Company shall be atleast Rs. 3 Crore as per the latest audited financial results.
- m) The Issuer / Company 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.
- n) The Post-issue / Offer paid up capital of the Issuer / Company shall be at least Rs. 3 Crore.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106 (M) (3) of SEBI (ICDR) Regulation, 2009 the provisions of regulations 6(1), 6(2), 6(3) , Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus the Company is eligible for the Issue in accordance with Regulation 106M(1) and other provision of Chapter XB of SEBI (ICDR) Regulations as the post –issue face value capital does not exceed Rs.1,000 Lakh. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

### 2.3 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in this Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

### 2.4 Issue Period

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange.

## 2.5 Migration To Main Board

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

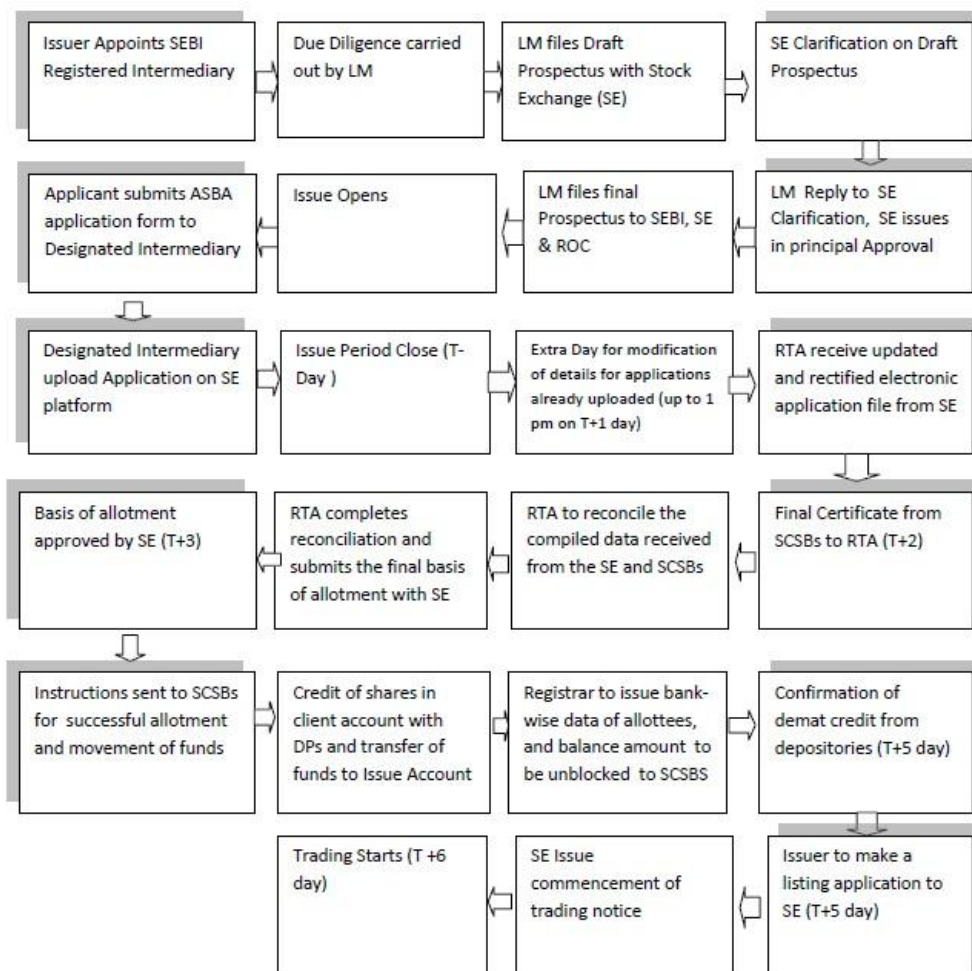
a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), The Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## 2.6 Flowchart Of Timelines

A flow chart of process flow in Fixed Price Issues is as follows:



### **Section 3: Category of Investors Eligible to Participate in an Issue**

**Each Applicant should check whether they are eligible to apply under applicable law.** Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three) or in the names of minors as natural / legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorized to invest in 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 law; NRIs other than Eligible NRIs are not eligible to participate in this Issue.
- Indian Financial Institutions, scheduled commercial banks regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors, VCFs and FVCIs registered with SEBI.
- Limited liability partnerships 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/societies and who are authorized under their respective constitutions 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 Rs. 2500 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, air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply to this Issue, under the laws, rules, regulations, guidelines, and policies applicable to them and under Indian Laws.

As per the existing regulations, OCBs are not allowed to participate in an Issue.



#### **Section 4: Applying in the Issue**

**Fixed Price Issue:** Applicants should only use the specified cum Application Form either bearing the stamp of Designated Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the registered office of the Issuer, and office of the RTA and at the office of the Lead Manager. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

Category	Color of the Application
Resident Indian, Eligible NRIs applying on a non -repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis	Blue

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

#### **4.1 Instructions For Filing Application Form/ Application Form (Fixed Price Issue)**

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

R Application Form

COMMON APPLICATION FORM FOR ASBA / NON-ASBA

AAA LIMITED - PUBLIC ISSUE - R

FOR RESIDENT INDIANS & OIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS

To,  
The Board of Directors  
AAA LIMITED

FIXED PRICE SME ISSUE

INE-----

Application Form No.

Date : \_\_\_\_\_

TEAR HERE

BROKER'S / AGENT'S STAMP & CODE		SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT	
BANK BRANCH STAMP, CODE & SERIAL NO.		SCSB SERIAL NO.		Mr. / Ms. _____ Age _____	
UNDERRITERS CODE		REGISTRAR'S SERIAL NO.		Address _____	
				E-mail _____	
				Tel. No (with STD code) / Mobile: _____	
				2. PAN OF SOLE/FIRST APPLICANT	
				_____	

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS		<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		6. INVESTOR STATUS	
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.				<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Non Resident Indians - NRIs <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VC <input type="checkbox"/> Others (Please Specify) - OTH	

4. APPLICATION DETAILS		5. CATEGORY	
No. of Equity Shares applied at the Issue Price		<input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> OIB	
(In Figures) _____	(In Words) _____		
* Please note that applications must be made in minimum lot size and further multiples thereof accordingly.			

PLEASE FILL IN BLOCK LETTERS

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)		PAYMENT OPTION : Full Payment	
Amount Paid (Rs. in Figures) _____ (Rs. in words) _____			
<input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD)		<input type="checkbox"/> (B) ASBA	
Cheque / DD No. _____	Dated D D M M Y Y	Bank A/c No. _____	
Drawn on (Bank Name & Branch) _____		Bank Name & Branch _____	

(WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 3A AND HEREBY AGREE AND CONFIRM THE 'INVESTOR UNDERSTANDING' AS GIVEN OVERLEAF. (WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT		8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA Option ONLY) <small>(We authorize the SCSB to do all acts as are necessary to make the Application in the issue)</small>		BANK BRANCH'S STAMP		REFUND OPTION (OPTIONAL)	
Date: _____		1) _____ 2) _____ 3) _____				Refund through RTGS IFSC Code of the Branch whose account is maintained _____	

TEAR HERE

AAA LIMITED- PUBLIC ISSUE - R		Acknowledgement Slip for SCSB		Application Form No.	
DP ID / CL ID _____	PAN _____				
Received from Mr./Ms _____		No. of Equity Shares applied for		Bank's Stamp & Signature	
Address _____		in Figures _____			
Telephone / Mobile _____ E-mail _____		in words _____			
		Cheque / Demand Draft dated _____			
		Instrument No./ASBA Bank A/c No.: _____		Drawn on (Name of Bank & Branch) _____	

TEAR HERE

TEAR HERE

AAA LIMITED - PUBLIC ISSUE - R		Stamp & Signature of SCSB		Name of Sole / First Applicant	
No. of Equity Shares					
Amount Paid (Rs.)					
Cheque / DD / ASBA Bank A/c No.:				Acknowledgment Slip for Applicant	
Bank & Branch:				Application Form No.	

NR Application Form

COMMON APPLICATION FORM FOR ASBA / NON-ASBA

AAA LIMITED - PUBLIC ISSUE - NR

FOR ELIGIBLE NRs, FIIs/FPis, FVCI ETC. APPLYING ON A REPATRIATION BASIS

To,  
The Board of Directors  
AAA LIMITED

FIXED PRICE SME ISSUE

INE-----

Application Form No.

Date: \_\_\_\_\_

BROKER'S / AGENT'S STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ Age _____ Address _____ E-mail _____ Tel. No (with STD code) / Mobile _____
BANK BRANCH STAMP, CODE & SERIAL NO.	SCSB SERIAL NO.	
UNDERRITERS CODE	REGISTRAR'S SERIAL NO.	
2. PAN OF SOLE/FIRST APPLICANT		

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS	<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	6. INVESTOR STATUS
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		<input type="checkbox"/> Non-Resident Indians (Repatriation basis) NRI <input type="checkbox"/> Foreign Institutional Investors / Foreign Portfolio Investors FI/FFI <input type="checkbox"/> Foreign Venture Capital Investor FVCI <input type="checkbox"/> FII Sub Account Corporate/ Individual FII SA <input type="checkbox"/> Others (Please Specify) OTH

4. APPLICATION DETAILS	5. CATEGORY
No. of Equity Shares applied at the Issue Price	<input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-institutional <input type="checkbox"/> OIB
(In Figures) _____ (In Words) _____	
Please note that applications must be made in minimum lot size and further multiples of thereof accordingly.	

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)		PAYMENT OPTION : Full Payment
Amount Paid (Rs. in Figures) _____ (Rs. in words) _____		
<input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD)	<input type="checkbox"/> (B) ASBA	
Cheque / DD No. _____ Dated _____	Bank A/c No. _____	
Drawn on (Bank Name & Branch) _____	Bank Name & Branch _____	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'INVESTOR UNDERSTANDING' 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.

8A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (For ASBA Option ONLY) (We authorize the SCSB to do all acts as are necessary to make the Applicant in the issue	BANK BRANCH'S STAMP	REFUND OPTION (OPTIONAL)
Date: _____, 2014	1) _____ 2) _____ 3) _____		Refund through RTGS IFSC Code of the Branch whose account is maintained

AAA LIMITED- PUBLIC ISSUE - NR		Acknowledgement Slip for SCSB	Application Form No.
EP ID / CL ID	PAN		
Received from Mr./Ms. _____	No. of Equity Shares applied for	Bank's Stamp & Signature	
Address _____	in Figures _____		
Telephone / Mobile _____ E-mail _____	in words _____		
	Cheque / Demand Draft dated _____		
	Instrument No. (ASBA Bank A/c No. _____	Drawn on (Name of Bank & Branch) _____	

AAA LIMITED - PUBLIC ISSUE - NR	In Figures	In words	Stamp & Signature of SCSB	Name of Sole / First Applicant
	No. of Equity Shares			
	Amount Paid (Rs.)			
	Cheque / DD/ ASBA Bank A/c No. : _____			
Bank & Branch : _____				

Acknowledgment Slip for Applicant

Application Form No.

#### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of \Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer,
- b) The Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- c) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Bid cum Application Form/Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
  - makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
  - otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”
- e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

#### 4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE FIRST APPLICANT

- a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected.

Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e) Applications by Applicants whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

#### 4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

#### 4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

- a) The Issuer may mention Price as per Prospectus. However a Prospectus registered with RoC contains one price.
- b) Minimum and Maximum Application Size

- i. For Retails Individual Applicants

The Application must be for a minimum of 1,200 equity shares. As the application price payable by the retail individual applicants cannot exceed Rs.200000 they can make Application for only minimum Application size i.e. for 1,200 equity shares.

- ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of equity shares such that the Application Amount exceeds Rs.200000 and in multiples of 1,200 equity shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum application by a QIB



investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision of Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 200000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of equity shares that can be held by them under prescribed law or regulation or as specified in this Prospectus.

- c) **Multiple Applications:** An applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- d) Applicants are requested to note the following procedures may be followed by the Registrar to the issue to detect multiple applications:
  - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and PFI sub-accounts, applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
  - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- e) The following applications may not be treated as multiple applications:
  - i. Application by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
  - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Application clearly indicates the scheme for which the application has been made.
  - iii. Application by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs, and DP IDs.

#### 4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- a) The categories of Applicants identified as per the SEBI ICDR Regulations, 2009 as amended for the purpose of Application, allocation and allotment in the Issue are RIIs, Individual applicants other than RIIs, and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- b) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations, 2009 as amended. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Applicants in an Issue depending upon compliance with the eligibility conditions. For

details pertaining to allocation and Issue specific details in relation to allocation Applicant may refer to the Prospectus.

#### **4.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- a) Each Applicant should check whether they are eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- b) Certain categories of Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- d) Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 FIELD NUMBER 7: PAYMENT DETAILS**

- a) All Applicants are required to use ASBA facility to block the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the funds shall be blocked for Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- b) All categories of investors can participate in the Issue only through ASBA mechanism.
- c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

##### **4.1.7.1 Payment instructions for Applicants**

- a) Applicants may submit the Application Form either in physical mode or online mode to any Designated Intermediaries.
- b) Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- c) Applicant should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- d) Applicant shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.



- e) From one ASBA Account, a maximum of five Application Forms can be submitted.
- f) Applicants applying through a member of the Syndicate should ensure that the Application Form is submitted to a member of the Syndicate only at the Specified Locations. Applicants should also note that Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- g) 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.
- h) ASBA Applicant 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.
- i) Upon receipt of Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form may upload the details on the Stock Exchange Platform.
- k) 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.
- l) 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.
- m) The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- n) SCSBs applying in the Issue must apply through an Account maintained with any other SCSB; else their Application is liable to be rejected.

#### **4.1.8 Unblocking of ASBA Account**

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted, if any, against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds

referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ non allotment / partial allotment ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs to unblock the respective bank accounts.

- b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

In the event of withdrawal or rejection of the Application Form and for unsuccessful Application, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

#### **4.1.8.1 Discount (if applicable)**

- a) The Discount is stated in absolute rupee terms.
- b) RII, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the Prospectus.
- c) For the Applicants entitled to the applicable Discount in the Issue the Application Amount less Discount (if applicable) shall be blocked.

#### **4.1.8.2 Additional Instructions for NRIs**

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Application by NRIs applying on a repatriation basis, blocking of funds in their NRO account shall not be accepted.

#### **4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorization has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form.
- d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

#### **4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should ensure that they receive the acknowledgment duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Application Form.

- a) All communications in connection with Applications made in the Issue should be addressed as under:
  - (i) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicants should contact the Registrar to the Issue.

- (ii) In case of Applications submitted to the Designated Branches of the SCSBs or Registered Brokers or Registered RTA/DP, the Applicants should contact the relevant Designated Branch of the SCSBs or Registered Brokers or Registered RTA/DP, as the case maybe.
  - (iii) Applicant may contact the Company Secretary and Compliance Officer or Lead Manager(s) in case of any other complaints in relation to the Issue.
- b) The following details (as applicable) should be quoted while making any queries –
- (i) Full name of the sole or Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
  - (ii) name and address of the Designated Intermediary, where the Application was submitted; or
  - (iii) In case of ASBA Applications, ASBA Account number in which the amount equivalent to the Application Amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application upwards) who has registered his or her interest in the Equity Shares at a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b) RII may revise their applications till closure of the issue period or withdraw their applications until finalization of allotment.
- c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Revision For - R

TEAR HERE

COMMON APPLICATION FORM FOR ASBA / NON-ASBA	<b>AAA LIMITED - PUBLIC ISSUE - R</b>	FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS
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To, **The Board of Directors AAA LIMITED**      **FIXED PRICE SME ISSUE**      **INE-----**      **Application Form No.**      Date: \_\_\_\_\_

<b>BROKER'S / AGENT'S 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 _____ E-mail _____ Tel. No. (with STD code) / Mobile _____
<b>BANK BRANCH STAMP, CODE &amp; SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	
<b>UNDERRITERS CODE</b>	<b>REGISTRAR'S SERIAL NO.</b>	

<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSC	<b>6. INVESTOR STATUS</b>
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSC enter 16 Digit Client ID.	<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Non Resident Indians - NRIs <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VC <input type="checkbox"/> Others (Please Specify) - OTH

<b>4. APPLICATION DETAILS</b> No. of Equity Shares applied at the Issue Price (In Figures) _____ (In Words) _____ <small>* Please note that applications must be made in minimum lot size and further multiples of thereof accordingly.</small>	<b>5. CATEGORY</b> <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB
--	--

<b>7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)</b>	<b>PAYMENT OPTION : Full Payment</b>
Amount Paid (Rs. in Figures) _____ (Rs. in words) _____	
<input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD)	<input type="checkbox"/> (B) ASBA
Cheque/DD No. _____ Dated DDMMYY _____	Bank A/c No. _____
Drawn on (Bank Name & Branch) _____	Bank Name & Branch _____

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 3A 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>A. SIGNATURE OF SOLE / FIRST APPLICANT</b> Date: .....	<b>B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s)</b> (AS PER BANK RECORDS). (For ASBA Option ONLY) <small>(We authorize the SCSB to do all acts as are necessary to make the Application in the issue.</small> 1) _____ 2) _____ 3) _____	<b>BANK BRANCH'S STAMP</b>	<b>REFUND OPTION (OPTIONAL)</b> Refund through RTGS IFSC Code of the Branch whose account is maintained _____
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<b>AAA LIMITED- PUBLIC ISSUE - R</b>	<b>Acknowledgement Slip for SCSB</b>	<b>Application Form No.</b>
DP ID / CL ID _____ PAN _____		
Received from Mr./Ms. _____ Address _____ Telephone / Mobile _____ E-mail _____	No. of Equity Shares applied for in Figures _____ in words _____ Cheque / Demand Draft dated _____ Instrument No./ASBA Bank A/c No. : _____ Drawn on (Name of Bank & Branch) _____	Bank's Stamp & Signature _____

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<b>AAA LIMITED - PUBLIC ISSUE - R</b>	<b>Stamp &amp; Signature of SCSB</b>	<b>Name of Sole / First Applicant</b>
No. of Equity Shares In Figures _____ In Words _____ Amount Paid (Rs.) _____ Cheque / DD/ ASBA Bank A/c No. : _____ Bank & Branch: _____		
		<b>Acknowledgment Slip for Applicant</b>
		<b>Application Form No.</b>

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Revision For - NR

**COMMON APPLICATION FORM FOR ASBA / NON-ASBA**

**AAA LIMITED - PUBLIC ISSUE - NR**

**FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI ETC. APPLYING ON A REPATRIATION BASIS**

To,  
The Board of Directors  
AAA LIMITED

**FIXED PRICE SME ISSUE**

INE-----

Date : \_\_\_\_\_

Application Form No. \_\_\_\_\_

<b>BROKER'S / AGENT'S 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 _____ E-mail _____ Tel. No. (with STD code) / Mobile _____
<b>BANK BRANCH STAMP, CODE &amp; SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	
<b>UNDERRITERS CODE</b>	<b>REGISTRAR'S SERIAL NO.</b>	
<b>2. PAN OF SOLE/FIRST APPLICANT</b>		

<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b>	<input type="checkbox"/> NSDL	<input type="checkbox"/> CDSL	<b>6. INVESTOR STATUS</b>
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.			

<b>4. APPLICATION DETAILS</b>	<b>5. CATEGORY</b>
No. of Equity Shares applied at the Issue Price	<input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> OIB
(In Figures) _____ (In Words) _____	
* Please note that applications must be made in minimum lot size and further multiples of thereof accordingly	

<b>7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)</b>	<b>PAYMENT OPTION : Full Payment</b>
Amount Paid (Rs. in Figures) _____ (Rs. in words) _____	
<input type="checkbox"/> (A) CHEQUE / DEMAND DRAFT (DD)	<input type="checkbox"/> (B) ASBA
Cheque / DD No. _____ Date: _____	Bank A/c No. _____
Drawn on: _____ (Bank Name & Branch)	Bank Name & Branch _____

(WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2X AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERSTANDING" AS GIVEN OVERLEAF. (WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

<b>8A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA Option ONLY)</b> (We authorize the SCSB to do all acts as are necessary to make the Application in the issue	<b>BANK BRANCH'S STAMP</b>	<b>REFUND OPTION (OPTIONAL)</b>
Date: _____, 2014	1) _____ 2) _____ 3) _____		Refund through RTGS IFSC Code of the Branch whose account is maintained

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<b>AAA LIMITED- PUBLIC ISSUE - NR</b>	<b>Acknowledgement Slip for SCSB</b>	<b>Application Form No.</b>
DP ID / CL ID _____ PAN _____	No. of Equity Shares applied for	Bank's Stamp & Signature
Received from Mr./Ms. _____ Address _____ Telephone / Mobile _____ E-mail _____	In Figures _____ In words _____ Cheque / Demand Draft dated _____	
	Instrument No. / ASBA Bank A/c No. : _____ Drawn on (Name of Bank & Branch) _____	

<b>AAA LIMITED - PUBLIC ISSUE - NR</b>	In Figures _____ In words _____	<b>Stamp &amp; Signature of SCSB</b>	<b>Name of Sole / First Applicant</b>
	No. of Equity Shares _____		
	Amount Paid (Rs.) _____	<b>Acknowledgment Slip for Applicant</b>	
Cheque / DD/ ASBA Bank A/c No. : _____	<b>Application Form No.</b>		
Bank & Branch : _____			

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE



**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: BID OPTIONS REVISION ‘FROM’ AND ‘TO’**

- a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of the share applied for given in his or her Application Form or earlier Revision Form.
- b) In case of revision of Applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, should not exceed Rs.200,000/- due to revision and the application may be considered, subject to the eligibility, for allocation under the Non-Institutional Category.

**4.2.3 FIELD 6: PAYMENT DETAILS**

Applicant may Issue instructions to block the revised amount in the ASBA Account, to the 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**

Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investor Applications	To the Designated Intermediaries

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively

**SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

**5.1 Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.**

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form. Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Designated Intermediary.

Applicants may submit an Application Form either in physical/ electronic form to Designated Intermediaries or the Designated Branches of the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

## 5.2 GROUNDS FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:-

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 3000;
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and Prospectus as per the instructions in the Prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals.
- Application or revision thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 200000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by BSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;



- Applications not uploaded on the terminals of the Stock Exchanges; 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
- From one ASBA Account, more than five applications are made by applicant.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID.

**APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

This being the Fixed Price Issue this section is not applicable for this Issue.

#### **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

##### **7.1 Basis of Allotment**

Allotment will be made in consultation with 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 here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For applications where the proportionate allotment works out to less than 1200 Equity Shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted 1200 Equity Shares;
  - ii. The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 1200 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1200 Equity Shares subject to a minimum allotment of 1200 Equity Shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 1200 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in the Prospectus.

- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
- i. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as the Retail Individual Investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - ii. Remaining to Individual applicants other than retail individual investors and Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
  - iii. The unsubscribed portion in either of the categories specified in (a) or (b) above may be available for allocation to the applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of BSE.

The Executive Director/ Managing Director of the SME Platform of BSE, Designated Stock Exchange in addition to Lead Merchant Banker 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, 2009.

## 7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within 5 Working Days of the Issue Closing Date.

## SECTION 8: INTEREST AND REFUNDS

### 8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

### 8.2 GROUNDS FOR UNBLOCKING OF FUNDS

### **8.2.1 Non Receipt of Listing Permission**

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalized.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith initiate action to unblock the application amount from the Investors accounts. If such money is not repaid within the eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of Companies Act, and disclosed in the Prospectus.

### **8.2.2 Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of Companies Act, 2013 if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our company does not receive the 100% subscription of the offer through the Offer Document including devolvement of underwriters, if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblocked the entire application amount received. If there is a delay beyond eighty days after our company becomes liable to pay the amount, our company and every officer in default will, on and from the expiry of this period be jointly and severally liable to repay the money, with interest or other penalty as prescribed under SEBI Regulations and the Companies Act, 2013.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50 no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked within 6 working days of closure of the issue.

Further in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.100000/- (Rupees One Lakh) per application.

The equity shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

### **8.2.3 MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of prospective allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be unblocked forthwith.

### **8.3 Mode of Unblocking of Funds**

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCBSs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

### 8.3.1 Mode of making refunds for Applicants

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

### 8.4 Interest In Case Of Delay in Allotment

The Issuer may pay interest at the rate of 15% per annum if demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 working days from the Issue Closing Date, if Allotment is not made.

## **SECTION 9: GLOSSARY AND ABBREVIATIONS**

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Applicants to make a Application authorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Applicant	Prospective Applicants in the Issue who apply through ASBA
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid	The date after which the SCSBs may not accept any application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Closing Date

Term	Description
Issue Closing Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date
Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Application, inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Application Amount	The value indicated in the Application Form and payable by the Applicant upon submission of the Application (except for Anchor Investors), less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Draft Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes an Application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to a Applicant should be construed to mean an Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009,
Broker Centers	Broker Centers notified by the Stock Exchanges, where Applicants can submit the Application Form to a Registered Broker. The details of such broker centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Prospectus and the Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account

Term	Description
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a> .
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Date	The date on or after which funds are transferred by the SCSBs to the Public Issue Account of the Issuer.
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Prospectus of the Issuer
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	This Draft Prospectus filed with Stock Exchange in case of Fixed Price Issues and which may mention a price
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the 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

Term	Description
First Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion



Term	Description
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-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs and FVCIs
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalize the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTA	Registrar to the Issue and Share Transfer Agent
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009

Term	Description
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than Rs. 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than Rs. 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares indicates therein in any of their Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/ SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Application from ASBA Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated entered into between the Underwriters and our company.
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in India are open for business, provided however, with reference to announcement Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government, the FDI Policy (as defined below) and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

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

### **Subscription by foreign investors (NRIs/FPIs)**

FPIs are permitted to subscribe to Equity Shares of an Indian Company in a public Issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. SEBI registered FPIs have been permitted to purchase shares of an Indian company through Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of 10 per cent subject to the total sectoral cap of all FPIs/sub-accounts put together being 24 per cent of the paid-up capital of the Indian company.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of FIPB or RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

### **Representation from the Applicants**

No person shall make an application in the Issue, unless such person is eligible to acquire Equity Shares of our Company in accordance with applicable laws, rules, regulations, guidelines and approvals.

Investors that make application under the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters, and their respective directors, officers, agents, affiliates and representatives, as applicable, that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, 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, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

There is no reservation for Non Residents, NRIs, FPIs, foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor. All Non Residents, NRIs, FPIs and foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor applicants will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the Government of India, OCBs also cannot participate in any Public 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 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 promulgated under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States to certain persons in offshore transactions in compliance with Regulation S under the Securities Act.

Our Company, Lead Manager and the Issue Management Team are not making any selling efforts in any jurisdiction outside India.

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.

The above information is given for the benefit of the Applicants. The Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## SECTION IX – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

### ARTICLES OF ASSOCIATION

Pursuant to Schedule II of the Companies Act, the SEBI ICDR Regulations, the main provisions of the Articles of Association relating 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 the each provision herein below is numbered as per the corresponding article number in the Articles of Association. Certain defined terms used in the Articles of Association are set forth below. All other defined terms used in this section have the meaning given to them in the Articles of Association.

The regulations contained in Table F of the first schedule and the applicable provisions of Companies Act, 2013 as applicable to a public limited company, shall apply to this Company, save unless they are expressly or by implication excluded or modified by the following Articles.

- |   |   |   |
|---|---|---|
| 1 | Regulations contained in Table “F” in the First Schedule to the Companies Act, 2013 shall apply to this Company, but the regulations for the management of the Company and for the observance by the members thereof and their representatives shall, subject to any exercise of the statutory powers by 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 the said Articles. | <b>Table “F” shall apply to company and governed by these Articles.</b> |
|---|---|---|

### INTERPRETATION

- |   |  |                               |
|---|--|-------------------------------|
| 2 | The marginal notes hereto shall not affect the construction hereof. In the interpretation of these Articles the following expression shall have the following meanings, unless repugnant to the subject or context:  | <b>Interpretation</b>         |
|   | "The Act" - means the Companies Act, 2013, as amended (for the time being in force) and the Companies Act, 1956 to the extent the provisions have not been superseded by the Companies Act, 2013 and includes the rules made there under and any statutory modification or re-enactment thereof for the time being in force.                         | <b>The Act</b>                |
|   | "Annual General Meeting" - means a general meeting of the members held in accordance with the provisions of the Section 96 of the Companies Act, 2013.   | <b>Annual General Meeting</b> |
|   | "Auditors" - means and includes the persons appointed as such for the time being of the Company.   | <b>Auditors</b>               |
|   | "Beneficial Owner" - shall mean beneficial owner as defined in clause (a) of sub section (1) of Section 2 of the Depositories Act, 1996.   | <b>Beneficial Owner</b>       |
|   | "Board" or "Board of Directors" - means a meeting of the Directors or a Committee thereof duly called and constituted, or as the case may be, the Directors assembled at a Board or the requisite number of Directors entitled to pass a Circular Resolution in accordance with these Articles, or acting by Circular Resolution under the Articles. | <b>Board of Directors</b>     |
|   | "Bye-laws" - means the Bye-laws which may be made by the Board of Directors of the Company under these Articles and which may for the time being be in force.  | <b>Bye-laws</b>               |
|   | "Capital" - means the capital for the time being raised for the purpose of the Company.  | <b>Capital</b>                |

"The Chairman" - means the Chairman of the Board of Directors for the time being of the Company.	<b>Chairman</b>
"The Company" or "This Company" - means <b>SALEBHAI INTERNET LIMITED.</b>	<b>The Company or This Company</b>
"Debenture" - includes debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a charge on the assets of the Company or not.	<b>Debenture</b>
"Depositories Act, 1996" - shall include statutory modifications or re-enactment thereof.	<b>Depositories Act</b>
"Depository" - shall mean a Depository as defined under clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996.	<b>Depository</b>
"Directors" - means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board, or acting under a Circular Resolution under the Articles.	<b>Directors</b>
"Dividend" - includes any interim dividend.	<b>Dividend</b>
"Documents" - includes summons, notices, requisition, other legal process and registers, whether issued, sent or kept in pursuance of the Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.	<b>Documents</b>
"Executor" or "Administrator" - means a person who has obtained Probate or Letter of Administration, as the case may be, from a Competent Court.	<b>Executor or Administrator</b>
"Extra-ordinary General Meeting" - means an extra-ordinary general meeting of the members duly called and constituted and any adjourned holding thereof.	<b>Extra-ordinary General Meeting</b>
"General Meeting" - means a general meeting of the members.	<b>General Meeting</b>
"Group" - means a group of two or more individuals, associations, firms or bodies corporate, or any combination thereof, which exercises or is in a position to exercise, or has the subject of exercising, control over any individual, body corporate, firm or trust.	<b>Group</b>
"In writing" or "written" – means and includes words printed, lithographed, represented or reproduced in any other modes in a visible form, including telex, telegram.	<b>In Writing and Written</b>
"Members" - means the duly registered holders, from time to time of the shares of the Company and include the subscribers to the Memorandum of the Company and the beneficial owner(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.	<b>Members</b>
"Month" - means a calendar month.	<b>Month</b>
"Office" - means the registered office for the time being of the Company.	<b>Office</b>
"Ordinary Resolution" - shall have the meaning assigned to it by Section 114 of the Companies Act, 2013.	<b>Ordinary Resolution</b>
"Paid-up" - includes credited as paid up.	<b>Paid-up</b>

"Persons" - includes individuals, any company or association or body of individuals whether incorporated or not.	<b>Persons</b>
"Proxy" - means an instrument whereby any person is authorized to vote for a member at the general meeting or poll.	<b>Proxy</b>
"The Register of Members" - means the register of members to be kept pursuant to Section 88 of the Companies Act, 2013.	<b>The Register of Members</b>
"The Registrar" - means the Registrar of Companies.	<b>The Registrar</b>
"The Company's Regulations" - means the regulations for the time being for the management of the Company.	<b>The Company's Regulations</b>
"Seal" - means the Common Seal for the time being of the Company.	<b>Seal</b>
"SEBI" – means the Securities and Exchange Board of India.	<b>SEBI</b>
"Secretary" - means and include a temporary or Assistant Secretary and any person or persons appointed by the Board [in accordance with the provisions of the Companies (Secretary's Qualifications) Rules, 1975 or any other rules for the time being in force] to perform any of the duties of the Secretary.	<b>Secretary</b>
"Shares" - means the shares or stocks into which the capital of the Company is divided and the interest corresponding with such shares or stocks except where a distinction between stocks and shares is expressed or implied.	<b>Shares</b>
"Special Resolution"- shall have the meaning assigned thereto by Section 114 of the Companies Act, 2013.	<b>Special Resolution</b>
"Tribunal" – means the National Company Law Tribunal constituted under Section 408 of the Companies Act, 2013.	<b>Tribunal</b>
"Year" - means the calendar year and "Financial Year" - shall have the meaning assigned thereto by Section 2(41) of the Companies Act, 2013.	<b>Year</b>
Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
Words importing the singular number includes where the context admits or requires, the plural number and vice versa.	<b>Singular Number</b>
Unless the context otherwise requires, words and-expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>

### CAPITAL

- 3 (a) The Authorized Share Capital of the Company will be as that specified in Clause V(a) of the Memorandum of Association from time to time in accordance with the regulations of the Company and the legislative provision for the time being in force in this behalf and power to divide the Share Capital into Equity Share Capital or Preference Share Capital and to attach thereto respectively, any preferential, qualified or special rights, privileges or conditions, and to vary, modify and abrogate the same in such manner as may be determined by or in accordance with these presents, PROVIDED HOWEVER that where any Government has made an order under sub-



section 4 of Section 62 of the Companies Act, 2013 directing that any debenture issued by the Company or loan taken by the Company or any part thereof shall be converted into shares of the Company and no appeal has been preferred to the Tribunal under sub-section (4) of Section 62 of the Companies Act, 2013, or where such appeal has been dismissed, the memorandum of the Company shall, where such order has the effect of increasing the Authorized Share Capital, stand altered and the Authorized Share Capital of the Company shall stand increased by an amount equal to the amount of the value of the shares into which such debentures or loans or part thereof has been converted.

#### **Preference Shares, Rights of Holders**

- (b) The holders of Preference Shares shall be entitled to be paid out of the profits which the Directors shall determine to distribute by way of dividend, a fixed cumulative preferential dividend at such rates as maybe fixed by the Company (free of Company's tax but subject to deduction of tax at source at the prescribed rate), on the amount credited as paid up thereon and to the right, on winding up, to be paid all arrears of preferential dividend, whether earned or declared or not, down to the commencement of winding up, and also to be repaid the amount of capital paid or credited as paid up on the Preference Shares held by them respectively in priority to any payment in respect of Equity Shares, but shall not be entitled to any other rights in the profits or assets of the Company.

Subject as aforesaid and to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the Equity Shares, in the event of the winding up of the Company, the holders of the Equity Shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such shares and all surplus assets thereafter shall belong to the holders of the Equity Shares in proportion to the amount paid up or credited as paid up on such Equity Shares respectively at the commencement of the winding up.

- (c) Subject to the provisions of Section 80 of the Companies Act, 1956 (as may be applicable) and Section 55 of the Companies Act, 2013 (as may be applicable) the following provisions shall apply in regards to redemption of Cumulative Preference Shares:
- (i) The Company may subject to the terms of issue at any time but in any event not later than twenty years from the issue of shares apply any profits or monies of the Company which may be lawfully applied for the purpose in the redemption of the preference shares at par together with a sum equal to arrears of dividend thereon down to the date of redemption.
  - (ii) In the case of any partial redemption under sub-clause (c)(i) of this Article, the Company shall for the purpose of ascertaining the particular shares to be redeemed, cause a drawing to be made at the office or at such other place as the Directors may decide, in the presence of a representative of the Auditors for the time being of the Company.
  - (iii) Forthwith after every such drawing the Company shall give to the holders of the shares drawn for redemption notice in writing of the Company's intention to redeem the same fixing a time (not less than three months thereafter) and the place for the redemption and surrender of the shares to be redeemed.

- (iv) At the time and place so fixed each holder shall be bound to surrender to the Company the Certificate for his shares to be redeemed and the Company shall pay to him the amount payable in respect of such redemption and where any such Certificate comprises any shares which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh Certificate there for.
- (d) Subject to the provisions of the Articles, the Company shall be entitled to create and issue further Preference Shares ranking in all or any respects *pari-passu* with the said Preference Shares, PROVIDED in the event of its creating and/or issuing Preference Shares in future, ranking *pari-passu* with the Preference Shares proposed to be issued, the Company would do so only with the consent of the holders of not less than three-fourths of the Preference Shares then outstanding.
- (e) The Redeemable Cumulative Preference Shares shall not confer on the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47(2) of the Companies Act, 2013.
- (f) The rights, privileges and conditions for the time being attached to the Redeemable Cumulative Preference Shares may be varied, modified or abrogated in accordance with the provisions of these Articles and of the Act.

#### **Increase of capital by the Company and how carried into effect**

- 4 (a) The Company in general meeting may, by ordinary resolution from time to time, increase the capital by creation of new shares of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. 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 Sections 47 and 55 of the Companies Act, 2013.
- (b) Whenever the capital of the Company has been increased under the provisions of this Article the Company shall file with the Registrar notice of the increase of capital as required by Section 64 of the Companies Act, 2013 within thirty days of the passing of the resolution authorizing the increase, or of the receipt of the order of the Government or consequent upon an order made by the Government under Section 62 of the Companies Act, 2013.

#### **Capital of two kinds only**

- 5 Neither the original capital nor any increased capital shall be more than two kinds, namely (i) Equity Share Capital and (ii) Preference Share Capital, as defined in Section 43 of the Companies Act, 2013.

#### **New Capital same as existing capital**

- 6 Except in so far as otherwise provided by the conditions of issue or by these Articles any capital raised by 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.

### **Redeemable Preference Shares**

- 7 Subject to the provisions of Section 55 of the Companies Act, 2013, the Company shall have the power to issue Preference Shares which are or at the option of the Company are to be liable to the redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

### **Provisions to apply on Issue of Redeemable Preference Shares**

- 8 On the issue of Redeemable Preference Shares under the provisions of Article 7 hereof and subject to the provisions of the Act, the following provisions shall take effect :
- (a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption.
  - (b) No such shares shall be redeemed unless they are fully paid.
  - (c) 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 Securities Premium Account, before the shares are redeemed.
  - (d) Where such shares are proposed to be redeemed out of the profits of the Company, there shall out of such profits, be transferred to a reserve fund to be called 'The Capital Redemption Reserve Account', a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Companies Act, 2013 relating to the reduction of the Share Capital of the Company shall, except as provided in Section 55 of the Companies Act, 2013, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
  - (e) Subject to the provisions of Section 55 of the Companies Act, 2013, the redemption of Preference Shares here under 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.

### **Reduction of Capital**

- 9 The Company may from time to time by special resolution, subject to confirmation by the Court or the Tribunal (as may be applicable) and subject to the provisions of Sections 52, 55 and 66 of the Companies Act, 2013 and other applicable provisions, if any, reduce its share capital in any manner and in particular may –
- (a) extinguish or reduce the liability on any of its shares in respect of the share capital not paid-up; or
  - (b) either with or without extinguishing or reducing the liability on any of its shares, -
    - (i) cancel any paid-up share capital which is lost or is unrepresented by available assets;
    - (ii) Pay off any paid-up share capital which is in excess of the wants of the Company.

### **Buy Back of Shares**

9A Notwithstanding anything contained in these Articles, the Company may purchase its own shares or other securities, and the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions and subject to such approvals, as may be permitted by law.

9B **\* Variation in terms of contract or objects in prospectus**

The Company shall not, at any time, vary the terms of a contract referred to in prospectus or objects for which the prospectus was issued, except subject to the approval of, or except subject to an authority given by the Company in General Meeting by way of special resolution, and in accordance with the provisions of the Act. Provided that the Company shall not use any amount raised by it through Prospectus for buying, trading or otherwise dealing in equity shares of any other listed Company. The dissenting shareholders of the Company, being the shareholders who have not agreed to the proposal to vary the terms of the contracts or the objects referred to in the prospectus, shall be given an exit offer by the promoters or controlling shareholders of the company, at the fair market value of the equity shares as on the date of the resolution of the Board of Directors recommending such variation in the terms of the contracts or the objects referred to in the prospectus, in accordance with such terms and conditions as may be specified on this behalf by the Securities and Exchange Board of India.

10 **Consolidation, division, sub-division and cancellation of shares**

Subject to the provisions of Section 61 of the Companies Act, 2013, the Company may by ordinary resolution:

- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) Convert all or any of its fully paid-up shares into stock; and reconvert that stock into fully paid-up shares of any denomination;
- (c) Sub-divide its existing shares, or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Whenever the Company does any one or more of the things provided for in the foregoing sub-clauses (a),(b), (c) and (d), the Company shall, within thirty days thereafter give notice thereof to the Registrar as required by Section 64 of the Companies Act, 2013 specifying, as the case may be, the shares consolidated, divided, sub-divided, converted into stock or cancelled.

11 Whenever the share capital of the Company, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Companies Act, 2013, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or by means of a special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, *mutatis mutandis*, apply to every such meeting. This Article is not to derogate from any power; the Company would have if this Article was omitted. Provided that if variation

by one class of shareholders of the Company affects the rights of any other class of shareholders of the Company, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this Article shall apply to such variation. The rights conferred upon the holders of the shares (including Preference Shares, 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.

## SHARES, DEBENTURES, OTHER SECURITIES AND CERTIFICATES

### Register and Index of Members

- 12 The Company shall cause to be kept and maintained, a Register of Members, register of debenture-holders, and a register of any other security holders in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares, debentures, or other securities held in material and dematerialized forms in any media as may be permitted by law including in any form of electronic media. The Company is authorized to, if so required by the Company, maintain a part of its register of members, register of debenture holders and / or register of any other security holders outside India (such part of the relevant register shall be called the “**Foreign Register**” and such Foreign Register shall contain the names and particulars of the members, debenture holders, other security holders or beneficial owners (as the case may be) residing outside India.

### Dematerialization

- 12A (1) Notwithstanding anything to the contrary contained in these Articles, the Company shall be entitled to dematerialize and rematerialize its existing shares, debentures and other securities and/or to offer its fresh shares, debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed there under, if any, and the register and index of beneficial owners maintained by the relevant Depository under section 11 of the Depositories Act, 1996, shall be deemed to be the corresponding register and index maintained by the Company.

### Options for Investors

- (2) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is a beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed issue to the beneficial owner the required Certificates of Securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in the records the name of the allottee as the beneficial owner of the security.

### Securities with Depositories to be in fungible form

- (3) All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in sections 89 and 112 and such other applicable provisions of the Companies Act, 2013 shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

### **Rights of Depositories and Beneficial Owners**

- (4) (a) Notwithstanding anything to the contrary contained in the Companies Act, 1956, the Companies Act, 2013 or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all liabilities in respect of the securities held by a Depository on behalf of the beneficial owner.

### **Service of Documents**

- (5) Notwithstanding anything contained in the Companies Act, 1956, the Companies Act, 2013 or these Articles to the contrary, where securities are held with a Depository the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

### **Transfer of Securities**

- (6) Nothing contained in Section 56 of the Companies Act, 2013, or these Articles shall apply to transfer of securities issued by the Company, effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

### **Allotment of Securities dealt within a Depository**

- (7) Notwithstanding anything contained in Section 56 of the Companies Act, 2013 or these Articles, where securities issued by the Company are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

### **Distinctive numbers of Securities held with a Depository**

- (8) Nothing contained in Section 56 of the Companies Act, 2013 or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company, shall apply to securities held with a Depository.

### **Restriction on Allotment and Return of Allotment**

- 13 The Board of Directors shall observe the restrictions as to allotment of shares to the public, contained in Section 39 of the Companies Act, 2013, as well as any other applicable provisions of the Act, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013 and/or as may be prescribed under the Act.

### **Further Issue of Shares**

- 14 (1) Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares either out of the unissued capital or out of the increased share capital then:

- (a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.
  - (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. Such notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
  - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right, PROVIDED THAT the Directors may decline, without assigning any reason, to allot any shares to any person in whose favour any member may renounce the shares offered to him.
  - (d) After the expiry of the time specified in the aforesaid notice, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner and to such person(s) as they, in their sole discretion, think fit, subject to the provisions of the Act. which is not disadvantageous to the shareholders and the Company.
- (2) Notwithstanding anything contained in sub-clause (1) hereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any matter whatsoever, subject to Section 62 of the Act:
- (a) If a special resolution to that effect is passed by the Company in general meeting, or
  - (b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the General Meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.
- (3) Nothing in sub clause (c) of clause (1) hereof shall be deemed:
- a) to extend the time within which the offer should be accepted: or
  - b) to authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.



- (4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or the terms of any loans raised by the Company:
- (a) To convert such debentures or loans into shares in the Company; or
  - (b) To subscribe for shares in the Company.

PROVIDED that the terms of issue of such debentures or terms of such loan containing such an option have been approved before the issue of such debentures or the raising of such loan by a special resolution passed by the Company in a General Meeting.

- (5) Notwithstanding anything contained in sub-clause (3) above, where any debentures have been issued or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion. Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit.
- (6) In determining the terms and conditions of conversion under sub-clause (4), the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.
- (7) Where the Government has, by an order made under sub-clause (5), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under sub-clause (5) or where such appeal has been dismissed, the Memorandum of the Company shall, where such order has the effect of increasing the authorized share capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

**Application of premium received on shares**

- 15 (1) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to an account, to be called "THE SECURITIES PREMIUM ACCOUNT" and the provisions of the Companies Act, 2013 relating to reduction of share capital of the Company shall, except as provided in this Article, apply as if the securities premium account were the paid-up share capital of the Company.
- (2) Notwithstanding anything contained in clause (1) above but subject to the provisions of Section 52 of the Companies Act, 2013, the securities premium account may be applied by the Company-
- (a) towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus;

- (b) in writing off the preliminary expenses of the Company;
- (c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company;
- (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company;  
or
- (e) for the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013.

#### **Power also to Company in General Meeting to issue shares**

- 16 In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 14 and 15, the Company in a General Meeting may, subject to the provisions of Section 62 of the Companies Act, 2013 and 108A of the Companies Act, 1956, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) be offered to such persons (whether members or not) in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of Sections 52, 53 and 54 of the Companies Act, 2013) as such General Meeting shall determine and with full power to give any person whether a member or not the option to call for or be allotted shares of any class of the Company either at a premium or at par or at a discount (subject to compliance with the provisions of Sections 52, 53 and 54 of the Companies Act, 2013) such option being exercisable at such time and for such consideration as may be directed by such General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any such shares.

#### **Shares at a discount**

- 17 Except as provided in Section 54 of the Companies Act, 2013, the Company shall not issue shares at a discount. Any share issued by the Company at a discounted price shall be void.

#### **Instalments on shares to be duly paid**

- 18 If by the conditions of any allotment of any share, the whole or any part of the amount or issue price thereof shall be payable by instalments, 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 shares or his legal representatives.

#### **Shares at the disposal of the Directors**

- 19 Subject to Section 62 and other applicable provision 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 or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with 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 be so allotted may be issued as fully paid up shares and is so issued, shall be deemed to be fully paid up shares. Provided that option or right to call shares shall not be given to any person or persons without the sanction of the Company in the General Meeting

#### **Acceptance of shares**

- 20 Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles; and every person who does or otherwise accepts any shares and whose name is on the Register shall, for the purpose of these Articles, be a member.

#### **Deposit and Call etc. to be a debt payable**

- 21 The money (if any) which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the inscription of the name of the allottee in the register of members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

#### **Liability of Members**

- 22 Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands shall be liable to 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 of Directors shall from time to time require or fix for the payment thereof.

#### **Limitation of time for issue of certificates**

- 23 (a) Every member shall be entitled, without payment, to receive one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every share certificate shall be under the Seal of the Company and shall specify the number and the distinctive number(s) of the shares in respect of which it was issued and the amount paid up thereon and shall be in such form as the directors may prescribe. 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 case of issues against letters of acceptance or of renunciation or in case of issue of bonus shares. PROVIDED THAT if the letter of allotment is lost or destroyed the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence. The certificate shall be signed in conformity with the provisions of the Companies (Share Capital and Debenture) Rules, 2014 or any statutory modification or re-enactment thereof for the time being in force. Printing of blank forms to be used for issue of Share Certificates and maintenance of

books and documents relating to issue of Share Certificates shall be in accordance with the provisions of aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within such time frame as may be prescribed in this regard after the allotment.

- (b) 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 holders.

24 **Issue of new certificate in place of one defaced, lost or destroyed**

Subject to provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014, 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 or in case of sub-division or consolidation of shares, 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 may deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued without payment of fees as the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. PROVIDED THAT no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding the foregoing provisions of Article 24 the Directors shall comply with applicable law including such rules or regulation or requirements of any stock exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf for the time being in force.

The provisions of this Article shall *mutatis mutandis* apply to issue of the certificates for any other securities including the debentures of the Company.

**Sub-division of shares**

- 24A Notwithstanding anything contained in Article 24, the Board of Directors may refuse applications for sub-division of Share Certificate into denominations of less than the marketable lot for the time being in force, except when such sub-division is required to be made to comply with a statutory order or an order of a competent court of law or to remedy a genuine mistake of fact or law.

PROVIDED THAT the Directors may, at their discretion, in case of genuine needs, allow sub-division of share certificates in denomination of less than the marketable lots, and may, if necessary, require production of suitable documentary evidence there for.

**The first named joint holders deemed sole holder**

- 25 If any share stands in the names of two or more persons, the first named in the Register shall, as regards receipt of dividends or bonus or service of notice or any other matter connected with the Company, except voting at meetings and the transfer of the shares, be deemed the sole holder thereof but

the joint holders of a share shall severally as well as jointly be liable for the payment of all instalments and calls due in respect of such share, and for all incidents thereof according to the provisions of the Act.

**Company not bound to recognize any interest in share other than of registered holder**

- 26 Except as ordered by a court / Tribunal of competent jurisdiction or as by law required, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the beneficial owner thereof and accordingly shall not be bound to recognize any benami trust, or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have expressor implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any two or more persons or the survivor or survivors of them.

**Nomination**

- 26A Notwithstanding anything contained hereinabove, a Member has a right to nominate one or more persons as his/her nominee(s) to be entitled to the rights and privileges as may be permitted under the law, of such a member in the event of death of the said member/s subject to the provisions of the Companies Act, 2013, and other applicable laws.

**Declarations in respect of beneficial interest in any share**

- 27 When any declaration is filed with the Company under the provisions of Section 89 of the Companies Act, 2013, (i) by any holder of shares who does not hold beneficial interest in such share specifying the particulars of the person holding beneficial interest in such shares, or (ii) by a person who holds or acquires a beneficial interest in any share of the Company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the Company and such other particulars as may be prescribed, the Company, or (iii) by the person referred to in (i) and the beneficial owner referred to in (ii) where any change occurs in the beneficial interest of such shares, the Company shall make a note of such declaration in its concerned register and file, within 30 days from the date of receipt of the declaration by it, a return with the Registrar with regard to such declaration together with the prescribed fees for the same.

**No purchase or giving of loans to purchase Company's shares**

- 28 Save as provided in Section 67 of the Companies Act, 2013, the Company shall not have the power to buy its own shares unless the consequent reduction of share capital is effected under the provisions of the Companies Act, 2013. The Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any share in the Company or in its holding Company.

**UNDERWRITING**

**Commission may be paid**

- 29 Subject to the provisions of Section 40 of the Companies Act, 2013, 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 or debenture stock in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture-stock of the Company, but so that the commission shall not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of debentures two and a half per cent of the price at which the debentures are issued. Such commission shall be paid either out of the proceeds of the issue or the profit of the Company or both. Subject to the provisions of the Act, any commission payable as aforesaid may be satisfied by payment of cash or by allotment of fully or partly paid shares or debentures as the case may be or partly in one way and partly in the other.

#### **Commission to be included in the Annual Return**

- 30 Where the Company has paid any sum by way of commission in respect of any shares or debentures such statement thereof shall be made in the Annual Return as required by Section 92 of the Companies Act, 2013.

### **INTEREST OUT OF CAPITAL**

#### **Interest out of Capital**

- 31 Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provisions of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by the Act, and may charge the same to Capital as part of the cost of construction of the work or building or the provisions of the plant.

### **CALLS**

#### **Directors may make Calls**

- 32 Subject to the provisions of Section 49 of the Companies Act, 2013, the Board of Directors may, from time to time, by a Resolution passed at a meeting (and not by a Circular Resolution), make such calls as it thinks fit upon the members in respect of all monies unpaid on the shares held by them (whether on account of the nominal value of the shares or by way of premium), and not by conditions of allotment thereof made payable at fixed time. Each member shall pay the amount of every call so made on him to the person or persons and at the time and place appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine.

#### **Notice of Calls**

- 33 At least fourteen days' notice in writing of any call shall be given by the Company specifying the time or times and place of payment, and the person or persons to whom such call shall be paid.

#### **Call to date from resolution**

- 34 A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors 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 shall be fixed by the Board of Directors.

#### **Directors may extend time**

- 35 The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such times as to all or any of the members who on account of residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension; but no member shall be entitled to such extension as of right except as a matter of grace and favour.

#### **Amount payable at fixed time or by instalments to be treated as calls**

- 36 If by the terms of issue of any share or otherwise any amount is or becomes payable at any fixed time or by instalments at fixed times (whether on account of the nominal amount of the shares or by way of premium) every such amount or instalment 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 instalment accordingly.

#### **When interest on call or instalment payable**

- 37 If the sum payable in respect of any call or instalment be not paid on or before the day appointed for the payment thereof the holder for the time being or allottee of the share in respect of which the call shall have been made or the instalment shall be due, shall pay interest on the same at such rates as may be fixed by the Board of Directors from the day appointed for the payment thereof to the time of actual payment but the Directors may, in their absolute discretion, waive payment of such interest wholly or in part.

#### **Evidence in actions by Company against shareholders**

- 38 On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives for the recovery of any monies claimed to be due to the Company for any call in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered is entered in the Register of Members as the holder or as one of the holders of the shares at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever and the proof of the matters aforesaid shall be conclusive evidence of the debt.

#### **Partial payment not to preclude forfeiture**

- 39 Neither a judgment nor a decree in favour of the Company for the calls or other monies due in respect of any shares nor the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his share, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.



### **Payment in anticipation of calls may carry interest**

- 40 The Board of Directors may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same, whole or any part of the moneys due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance or so much thereof from time to time as exceeds the amount of the calls then made upon shares in respect of which such advance has been made, the Company may pay interest, at such rate, not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may at any time repay the amount so advanced. The member paying any such sum in advance shall not be entitled to dividend or to participate in the profits of the Company or to voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable.

The provisions of these Articles shall *mutatis mutandis* apply to the calls on debentures of the Company.

## **LIEN**

### **Company's lien on shares/debentures**

- 41 The Company shall have a first and paramount lien upon all 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 interests in any such share shall be created except upon the footing and condition that this Article is to have full effect. Any such lien shall extend to all dividends payable and bonuses declared from time to time declared in respect of 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. PROVIDED THAT the Board of Directors may, at any time, declare any share/debenture to be wholly or in part exempt from the provisions of this Article.

Fully paid-up share shall be free from all liens and in the case of partly paid-up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

### **As to enforcing lien by sale**

- 42 The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same. PROVIDED THAT no sale shall be made:-

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) Until the expiration of fourteen days after the notice in writing demanding payment of such part of the amount in respect of which the lien exists as in presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such shares and may authorize out of their members to execute a transfer thereof on behalf of and in the name of such members.

#### **Transfer of shares sold under lien**

- 43 (1) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- (2) The Purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (3) The Purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

#### **Application of proceeds of sale**

- 44 (1) The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable; and
- (2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).

### **FORFEITURE OF SHARES**

#### **If money payable on share not paid notice to be given to member.**

- 45 If any member fails to pay any call or any instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter, during such time as the call for instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

#### **If call or instalment not paid, notice may be given.**

- 46 For the purpose of the provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment.

#### **Form of notice**

- 47 The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

#### **If default of payment, shares to be forfeited**

- 48 If the requirements of any such notice as aforesaid are not complied with, every or any share in respect of which such notice has been given, may at any time thereafter, before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a Resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other monies payable in respect of the forfeited shares and not actually paid before the forfeiture.

#### **Notice of forfeiture to a member**

- 49 When any share shall have so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Member, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

#### **Forfeited share to be the property of the Company and may be sold etc.**

- 50 Any share 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 or to any other person, upon such terms and in such manner as the Board of Directors shall think fit. The Board may decide to cancel such shares.

#### **Member still liable to pay money owing at the time of forfeiture and interest**

- 51 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 not exceeding twelve per cent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such monies or any part thereof, if it thinks fit, but shall not be under any obligation so to do.

#### **Effect of forfeiture**

- 52 The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and all claims and demands 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.

#### **Power to annul forfeiture**

- 53 The Board of Directors may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

#### **Validity of forfeiture**

- 54 (1) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or Secretary of the Company, and that a share in the Company has 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 share;
- (2) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (3) The person to whom such share is sold, re-allotted or disposed off shall thereupon be registered as the holder of the shares;

- (4) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, instalments, interest and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment;
- (5) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.

**Provision of these Articles as to forfeiture to apply in case of nonpayment of any sum**

- 55 The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

**Cancellation of share certificates in respect of forfeited shares**

- 56 Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the 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 new certificate or certificates in respect of the said shares to the persons entitled thereto.

**Surrender of shares**

- 57 The Directors may, subject to the provisions of the Companies Act, 2013, accept a surrender of any share from or for any member desirous of surrendering on such terms as they think fit.

**TRANSFER AND TRANSMISSION OF SHARES**

**Register of Transfers**

- 58 The Company shall keep a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share and debenture held in material form.

**Transfer and Transmission of Shares and Securities held in electronic form**

- 59 In the case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

**Instrument of Transfer**

- 59A The instrument of transfer of any share shall be in writing and all the provisions of Section 56 of the Companies Act, 2013 and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

- 60 (1) An application for the registration and transfer of the shares in the Company may be made either by the transferor or the transferee.
- (2) Whether the application is made by the transferor and 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.
- (3) For the purpose of sub-clause (2), above, notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post 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.

**To be executed by transferor and transferee**

- 61 Every such instrument of transfer duly stamped shall be executed by or on behalf of both the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. A common form of transfer shall be used.

**Transfer by legal representation**

- 62 A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution to the instrument of transfer.

**Transfer books when closed**

- 63 The Board of Directors may, after giving not less than seven days previous notice by advertisement as required by Section 91 of the Companies Act, 2013 or such lesser period as may be specified by the Securities Exchange Board of India close the Transfer Books, the Register of Members or the Register of Debenture-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 in each year as it may seem expedient to the Board.

**Directors may refuse to register transfers**

- 64 (a) Subject to the provisions of Sections 58 and 59 of the Companies Act, 2013 and other applicable provisions of the Act or any other law for the time being in force, the Directors may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmissions by operation of law of the right to, any shares or debentures or interest of a Member in the Company. The Company shall within one month from the date of which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmissions, as the case may be, giving reasons for such refusal. PROVIDED THAT registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except if a company has lien on such shares. Transfer of shares/debentures in whatever lot shall not be refused.
- (b) No share shall in any circumstances be transferred to any minor, insolvent or

person of unsound mind, unless represented by a guardian.

**Notice of refusal to be given to transferor and transferee**

- 65 If the Company refuses to register the transfer of any shares or transmission of any right therein, the Company shall within thirty days 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 the transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 58 of the Companies Act, 2013, or any statutory modification thereof for the time being in force shall apply.

**Death of one or more joint-holders of shares**

- 66 In case of the death of any one or more persons named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person

**Titles to shares of deceased member**

- 67 Except where a deceased member had made a nomination in respect of the shares held (in which case such shares shall be dealt with in the manner prescribed by the Act and the Rules there under), the executors or administrators of a deceased member or the holder 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 names of such member, and the Company shall not be bound to recognize such executors or administrators or holders of a succession certificate of the legal representative unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration, or Succession Certificate as the case may be, from a duly constituted Court in the Union of India provided that in 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 under Article 71 the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member, as a member.

**Registration of persons entitled to shares otherwise than by transfer (Transmission Clause)**

- 68 Subject to the provisions of Articles 68 and 69 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by and lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board of Directors (which it shall not be under obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under these Articles, or of his title, as the Board of Directors shall require and upon giving such indemnity as the Directors shall require, either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Board of Directors registered as a member in respect of such shares PROVIDED NEVERTHELESS that if such person shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee as instrument of transfer in accordance

with the provision herein contained, and until he does so, he shall not be freed from any liability in respect of such shares. This clause is herein referred to as "THE TRANSMISSION CLAUSE".

#### **Refusal to register Nominee**

- 69 Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any share or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

#### **Directors entitled to refuse to register more than four joint holders**

- 70 The Company shall be entitled to decline to register more than four persons as the holders of any share.

#### **Persons entitled may receive dividend without being registered as member**

- 71 A person entitled to a share by transmission shall subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give a discharge for any dividends or other monies payable in respect of the share.

#### **Conditions of registration of transfer**

- 72 Prior to the registration of a transfer, the certificate or certificates of the share or shares to be transferred, and if no such certificate is in existence, the Letter of Allotment of the shares, must be delivered to the Company along with (save as provided in Section 56 of the Act) a properly stamped and executed instrument of transfer, with the date of presentation of the instrument to the proper authorities, duly endorsed thereon.

#### **No fee on transfer or transmission**

- 73 No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.

#### **The Company not liable for disregard of a notice prohibiting registration of a transfer**

- 74 The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the register of members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting 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 required to regard or attend or give effect to any notice which may be give to it 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 or the Company, but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.



## TO BE SENT TO MEMBERS

### Copies of Memorandum and Articles of Association to be sent by the Company to members

- 75 The Company shall subject to the payment of the fee prescribed under Section 17 of the Companies Act, 2013, or its statutory modification for the time being in force, on being so required by a member, send to him with seven days of the requirement, a copy of each of the following documents as in force for the time being.
- (a) The Memorandum,
  - (b) The Articles, and
  - (c) Every agreement and every resolution referred to in sub-section (1) of Section 117 of the Companies Act, 2013, if and in so far as they have not been embodied in the Memorandum of the Company or these Articles.

## BORROWING POWERS

### Power to borrow

- 76 Subject to the provisions of Sections 177, 179 to 180 of the Companies Act, 2013 and of these Articles, the Board of Directors may, from time to time at its discretion, accept deposits from members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company from any source. PROVIDED HOWEVER, where the monies to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in general meeting. No debt incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.

### The payment or repayment of monies borrowed

- 77 The payment or repayment of monies borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a Resolution passed at a meeting of the Board (and not by Circular Resolution) by the issue of debentures or Debenture-Stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its uncalled capital for the time being, and the debentures and the Debenture-Stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

### Terms of issue of Debentures

- 78 Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, 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, drawings, allotment of shares, attending (but not voting) at General

Meetings, 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 General Meeting, by a Special Resolution and subject to the permission of the Act.

#### **Mortgage of uncalled capital**

- 79 If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may, 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.

#### **Register of charges etc. to be kept**

- 80 The Board of Directors shall cause a proper register to be kept in accordance with the provisions of Section 85 of the Companies Act, 2013 of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 71 and Sections 77 to 87 (both inclusive) of the Companies Act, 2013, in that behalf to be duly complied with, so far as they are to be complied with by the Company. The Company shall comply with the provisions of Section 79 of the Companies Act, 2013 as regards modification of a charge and its registration with the Registrar.

#### **Register and Index of Debenture-holders**

- 81 The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture Holders in accordance with Section 88 of the Companies Act, 2013. The Company shall have the power to keep in any State or Country outside India a branch Register of Debenture-holders resident in the State or country.

### **MEETINGS OF MEMBERS**

#### **Annual General meeting**

- 82 (1) The Company shall in each year hold, in addition to any other meetings, a general meeting as its Annual General Meeting in accordance with the provisions of Sections 96 and 129 of the Companies Act, 2013 and shall specify the meeting as such in the notice calling it, except in the case where the Registrar, has given an extension of time for holding any annual general meeting and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. PROVIDED THAT the Registrar may, for any special reason, extend the time within which any annual general meeting shall be held, by a period not exceeding three months.
- (2) Every annual general meeting shall be called for any time during business hours, that is, between 9 a.m. and 6 p.m., on any day that is not a National Holiday (as defined under the Companies Act, 2013) and shall be held either at the registered office of the Company or at some other place within the city or town or village in which the registered office of the Company is situated for the time being.
- (3) Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends on any part of the business which concerns him as Auditor.

**Report, Statement and Registers to be laid before the annual general meeting**

- 83 At every annual general meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with Proxies, and the Register of Directors and Key Management Personnel maintained under Section 170 of the Companies Act, 2013.

**Extra-Ordinary General Meeting**

- 84 All general meetings other than annual general meeting shall be called Extra-Ordinary General Meeting.

**Annual Return**

- 85 (1) The Company shall comply with the provisions of Section 92 of the Companies Act, 2013 regarding the filing of Annual Return and as regards the annual return and certificates to be annexed thereto.

**Place of keeping & Inspection of registers & returns**

- (2) The Register required to be kept and maintained by the Company under Section 88 of the Companies Act, 2013 and copies of the annual return filed under Sections 92 of the Companies Act, 2013, shall be kept at the registered office of the Company. PROVIDED THAT such registers or copies of return may, also be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved for this purpose by a Special Resolution passed in general meeting of the Company and the Registrar has been given a copy of the proposed Special Resolution in advance.

**Inspection**

- (3) (a) The registers and their indices, except when they are closed under the provisions of the Act, and the copies of all the returns shall be open for inspection by any member, debenture holder or other security holder or beneficial owner, during the business hours (subject to such reasonable restrictions as the Company may impose) without fee and by any other person on payment of such fees as may be prescribed under the Act and the rules made there under.

(b) Any such member, debenture-holder, other security holder or beneficial owner or any other person may take extracts from any register, or index or return without payment of any fee or require a copy of any such register or entries therein or return on payment of such fees as may be prescribed under the Act not exceeding ten rupees for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee.

- (4) The Company shall cause any copy required by any person under Clause (b) of sub-clause (3) to be sent to that person within a period of seven days of the deposit of such fees exclusive of non-working days, commencing on the day next after the day on which the requirement is received by the Company.

**Circulation of Members' Resolution**

- 86 (1) Subject to the provisions of Section 111 of the Companies Act, 2013, the

Directors shall on the requisition in writing of such number of members as required in Section 100 of the Companies Act,;-

- (a) give notice to the members of the Company of any resolution which may properly be moved and is intended to be moved at a meeting;
  - (b) Circulate to members, any statement with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.
- (2) Subject to the provisions of Section 100 of the Companies Act, 2013, the number of members necessary for a requisition under clause (1) hereof shall be such number or numbers who hold, on the date of receipt of the requisition, not less than one-tenth of the paid-up share capital of the Company as on that date carried the right of voting.
- (3) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless :
- (a) a copy of a requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the registered office of the Company-
    - (i) in the case of a requisition requiring notice of resolution, not less than six weeks before the meeting,
    - (ii) in the case of any other requisition not less than two weeks before the meeting, and
  - (b) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto. PROVIDED that if after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an annual general meeting is called on a date within six weeks after such copy has been deposited, the copy, although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purpose thereof.
- (4) The Company shall not also be bound under this Article to circulate any statement, if, on the application either of the Company or of any other person who claims to be aggrieved, the Central Government by order declares that the rights conferred by this clause are being abused to secure needless publicity for defamatory matter.

**Contents of requisition and number of requisitionists required and the conduct of meeting**

87 In case of requisition the following provisions shall have effect :

- (1) The requisition shall set out the matters for the consideration of which the meeting is to be called, and shall be signed by the requisitionists and sent to the registered office of the Company.
- (2) The number of members entitled to requisition an extraordinary general meeting shall be such number of members who hold at the date of the receipt of the requisition, not less than one-tenth of such of the paid up capital of the Company as on that date carries the right of voting.
- (3) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days

from the date of receipt of the requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition.

(4) A meeting called under clause (3) by requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.

(5) Any reasonable expenses incurred by the requisitionists in calling a meeting under sub-clause (3) shall be reimbursed to the requisitionists by the Company, and any sums so paid shall be deducted from any fee or other remuneration under Section 197 of the Companies Act, 2013 payable to such of the Directors who were in default in calling the meeting.

#### **Length of notice of meeting**

88 A general meeting of the Company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be prescribed by the Act and the rules made there under. Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.

#### **Contents and manner of service of notice**

- 89 (1) Every notice of a meeting of the Company shall specify the place, date, day and hour of the meeting and shall contain a statement of the business to be transacted thereat.
- (2) The notice of every meeting shall be given to:
- (a) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member;
  - (b) the Auditor or Auditors for the time being of the Company; and
  - (c) every director of the Company.
- (3) In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a member entitled to attend and vote at the meeting is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member of the Company.

#### **Special and ordinary business and explanatory statement**

- 90 (1) (a) In the case of an annual general meeting, all business to be transacted at the meeting, shall be deemed special with the exception of business relating to:
- (i) The consideration of financial statements and the reports of the Board of Directors and Auditors;
  - (ii) The declaration of any dividend;
  - (iii) The appointment of Directors in the place of those retiring; and
  - (iv) The appointment of, and the fixing of the remuneration of the Auditors

- (b) In the case of any other meeting, all business shall be deemed special;
- (2) PROVIDED that where any item of special business to be transacted at a meeting of the Company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, Director, manager, if any, and of every other key managerial personnel of the Company shall, if the extent of such shareholding interest is not less than two per cent of the paid-up share capital of that company, also beset out in the statement.
- (3) Where any item of business refers to any document which is to be considered by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

**Omission to give notice not to invalidate a resolution passed**

- 91 Any accidental omission to give any such notice as aforesaid to, or the non-receipt thereof by any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of any such meeting.

**Notice of business to be given**

- 92 No general meeting, annual or extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the meeting.

**Quorum**

- 93 The number of members prescribed under Section 103 of the Companies Act, 2013 and entitled to vote and present in person shall be a quorum for general meeting and no business shall be transacted at the general meeting unless the quorum requisite be present at the commencement of the meeting. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor of a State, if he is a member of the Company, shall be deemed to be personally present if he is represented in accordance with Section 112 of the Companies Act, 2013.

**Presence of quorum**

- 94 (1) (1) If within half an hour from the time appointed for holding a meeting of the Company the quorum is not present, (a) the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board may determine; or (b) the meeting, if called by requisitionists in accordance with Section 100 of the Companies Act, 2013, shall stand cancelled. Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under sub clause (a), the Company shall give not less than three days' notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.
- (2) If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum and may transact the business for which the meeting was called.

**Resolution passed at adjourned meeting**

- 95 Where a resolution is passed at an adjourned meeting of the Company, the resolution shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

**Chairman of general meeting**

- 96 The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or shall decline to take the chair, the Directors present shall elect one of them as Chairman and if no Director be present or if the Directors present decline to take the chair, then the members present shall elect one of their members to be a Chairman. If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected as a result of the poll he shall be the Chairman for the rest of the meeting.

**Business confined to election of Chairman whilst chair vacant**

- 97 No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

**Chairman may adjourn Meeting**

- 98 (1) The Chairman 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 from place to place.
- (2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

**Voting to be by show of hands in the first instance**

- 99 At any general meeting, a resolution put to the vote of the meeting shall unless a poll is demanded under Section 109 of the Companies Act, 2013, or the voting is carried out electronically, be decided on a show of hands.

**Chairman's declaration of result of voting on show of hands**

- 100 A declaration by the Chairman that on a show of hands, a resolution has or has not been carried, either run unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceeding of the Company shall be conclusive evidence of the fact of passing of such resolution, or otherwise, without proof of the number or proportion of votes in favour or against such resolution.

**Demand for poll**

- 101 (1) Before or on the declaration of result of voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by the members present in person or by proxy, where allowed, and having not less than one-tenth of the total voting power or



holding shares on which an aggregate sum of not less than five lakh rupees or such higher amount as may be prescribed has been paid-up.

- (2) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

#### **Time of taking poll**

- 102 A poll demanded for adjournment of the meeting or appointment of Chairman of the meeting shall be taken forthwith. A poll demanded on any question other than adjournment of the meeting or appointment of a Chairman shall be taken at such time, not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the meeting may direct.

#### **Chairman's casting vote**

- 103 In the case of an equality of votes, the Chairman shall, both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.

#### **Scrutinizers' at poll**

- 104 Where a poll is to be taken, the Chairman of the meeting shall appoint one scrutiner to scrutinize the vote given on the poll and to report thereon to him. Subject to the provisions of Section 109 of the Companies Act, 2013, the Chairman of the meeting shall have power to regulate the manner in which the poll shall be taken and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

#### **Demand for poll not to prevent transaction of other business**

- 105 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.

#### **Vote by Postal Ballot**

- 106 Subject to the provisions of Section 110 of the Companies Act, 2013 and these Articles, and as may be applicable by law, the Company shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and may, in respect of any item of business, other than ordinary business and any business in respect of which directors or Auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be prescribed, instead of transacting such business at a General Meeting.

#### **Special notice**

- 106A Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of member shareholding not less than one percent of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up and the Company shall give its members notice of the resolution in such manner as may be prescribed.

#### **Registration of documents with the Registrar**

107 A copy of each of every resolutions or agreement in respect of the following matters together with the explanatory statement under Section 102 of the Companies Act, 2013, if any, annexed to the notice calling the meeting in which such resolution is proposed, shall be filed with the Registrar within thirty days of the passing or making thereof in such a manner and with such fees as may be prescribed within the time specified under Section 403 of the Companies Act, 2013:

(a) Every special resolution.

(b) Every resolution which has been agreed to by all members of the Company, but which, if not so agreed to, would not have been effective for the purpose unless it had been passed as a special resolution.

(c) Every resolution of the Board of Directors or agreement executed by the Company relating to the appointment, re-appointment or renewal of appointment or variation in the terms of appointment of a Managing Director.

(d) Every resolution or agreement which has been agreed to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for the purpose unless it had been passed by a specified majority or otherwise in some particular manner; and every resolution or agreement which effectively binds all the members or any class of shareholders though not agreed to by all those members.

(e) Every resolution passed by the Company according consent to the exercise by the Board of Directors of any of the powers under clause (a), and clause (c) of sub-section (1) of the Section 180 of the Companies Act, 2013.

(f) Every resolution requiring the Company to be wound up voluntarily passed in pursuance of Section 304 of the Companies Act, 2013.

(g) Every resolution passed in pursuance of sub-section (3) of Section 179 of the Companies Act, 2013; and

(h) Any other resolution or agreement as may be prescribed and placed in the public domain. Provided that the copy of every such resolution which has the effect of altering the Articles and the copy of every agreement referred to above shall be embodied in or annexed to, every copy of these Articles issued after the passing of the resolution or the making of the agreement.

## VOTES OF MEMBERS

### **Member paying money in advance not to be entitled to vote in respect thereof**

108 A member paying the whole or a part of the amount remaining unpaid on any share held by them although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the monies so paid by him until the same would but for such payment become presently payable.

### **Restriction on exercise of voting rights of members who have paid calls**

109 No member shall exercise any voting rights 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 of lien.

### **Number of votes to which member entitled**

- 110 Subject to the provisions of Section 43 and sub-section (2) of Section 50 of the Companies Act, 2013, every member of the Company holding any equity share capital shall have a right to vote on every resolution placed before the Company; and his voting rights on a poll shall be in proportion to his share of the paid-up equity share capital of the Company. Every member holding any preference share capital of the Company, shall, in respect of such capital, have the right to vote only on resolutions placed before the Company which directly affect the rights attached to his preference shares and any resolution for the winding up of the Company or for the repayment or reduction of its equity or preference share capital and his voting rights on a poll shall be in proportion to his share in the paid up preference share capital of the Company. Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares:  
Provided further that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the Company.

### **Vote of member of unsound mind**

- 111 A member of unsound mind or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll, vote by proxy.

### **Votes of joint members**

- 112 If there be joint registered holders of any shares any one of such persons may vote at any meeting personally or by an agent duly authorized under a Power of Attorney or by proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting, and, if more than one of such joint holders be present at any meeting either personally or by agent or by proxy, that one of the said persons so present who stands higher on the register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holder shall be entitled to be present at the meeting; provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent duly authorized under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register in respect of such shares. Several executors or administrators or a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.

### **Representation of body Corporate**

- 113 A body corporate (whether a company within the meaning of the Act or not) may,
- (a) if it is member of the Company by a resolution of its board of directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company;
  - (b) if it is a creditor, (including a holder of debentures of the Company) by a

resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of the Act or of any rules made there under, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.

- (2) A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor or holder of debentures of the Company.

#### **Representation of President and Governors in meetings**

- 114 Where the President of India or the Governor of a State is a member of the Company, the President or, as the case may be, the Governor may appoint such person as he thinks fit, to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company and such a person shall be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a member of the Company.

#### **Votes in respect of deceased or insolvent members**

- 115 Any person entitled under the Transmission Clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was 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 rights to transfer such shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

#### **Voting in person or by Proxy**

- 116 Subject to the provisions of these Articles vote may be given either personally or by proxy.

#### **Rights of members to use his votes differently**

- 117 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.

- 118 Subject to the provisions of the Act and the rules made there under, any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself Provided that a proxy so appointed shall not have the right to speak at the meeting and shall not be entitled to vote except on a poll. Provided further that a person appointed as proxy shall act on behalf of such number of members not exceeding fifty and such number of shares as may be prescribed. Every notice convening a meeting of the Company shall state that a member entitled to attend and vote is entitled to appoint one or more proxies and that the proxy need not be a member.

#### **Proxy either for specified meeting or for a period**

- 119 An instrument of proxy may appoint a proxy either for the purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purposes of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

**No proxy except for the corporation to vote on a show of hands**

- 120 No member present only by proxy shall be entitled to vote on a show of hands.

**Deposit of instrument of appointment**

- 121 The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the office forty-eight hours before the time for holding the meetings at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

**Form of proxy**

- 122 Every instrument of proxy whether for specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form set out in the Companies (Management and Administration) Rules, 2014 (or any corresponding amendment or modification thereof that may be prescribed).

**Inspection of proxies**

- 123 Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting, and ending with the conclusion of the meeting, to inspect proxies lodged, at any time during the business hours of the Company provided not less than three days' notice in writing of the intention so as to inspect is given to the Company.

**Validity of votes given by proxy notwithstanding revocation of authority**

- 124 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney or authority under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the office before the commencement of the meeting, or adjourned meeting at which the proxy is used.

**Time for objections to vote**

- 125 No objection shall be made to the qualification of any vote or to the validity of the vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting.

**Chairman of any meeting to be the Judge of validity of any vote**

- 126 The Chairman of any meeting shall be sole judge of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

#### **Custody of instrument**

- 127 If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If embracing other objects, copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

### **DIRECTORS**

#### **Number of Directors**

- 128 Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 149 and 151 of the Companies Act, 2013, the number of Directors shall not be less than 3 and not more than 15 and the manner of constituting the Board shall be as prescribed under the Act and as may be directed by the Securities and Exchange Board of India.

#### **Directors**

- 129 The first directors of the Company are :
1. VISHWAVIJAY MAHESH PRATAP SINGH
  2. GOPAL SHIVJISHUKLA
  3. PRIYANKA VISHWAVIJAYSINGH
  4. ANAND PRAKASH RAMCHAND VARANI

#### **Debenture Directors**

- 130 Any Trust Deed for securing and covering the issue of debentures or debenture stocks of the Company, may provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture stocks, of some person to be a Director of the Company for and on behalf of the debenture holders for such period for which the debentures or any of them shall remain outstanding and may empower such Trustees or holder of debentures or debenture stocks, from time to time, to remove and reappoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provision as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

#### **Nominee Directors**

- 131 Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to (i) the Life Insurance Corporation of India (LIC), (ii) the Infrastructure Development Finance Company Limited, (iii) specified company referred to in the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002, (iv) institutions notified by the Central Government under sub-section (2) of Section 4A of

the Companies Act, 1956, (v) such other institutions as may be notified by the Central Government in consultation with the Reserve Bank of India, or (vi) any other bank or entity providing financing facilities to the Company (each of the above is hereinafter in this Article referred to as “the Corporation”) out of any loans/debentures assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time (which Director or Directors, is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The Nominee Director/s so appointed shall hold the said office only so long as any monies remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall, ipso facto, vacate such office immediately the monies owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/sis/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Provided further that in the event of any remuneration payable to the Nominee Director/s, by way of commission, salary or perquisites (other than sitting fees and reimbursement of actual expenses incurred by them in attending to Company’s work) such remuneration shall be paid only with the prior approval of the Central Government under Section 309/310 of the Companies Act, 1956. Provided further that in the event of the Nominee Director/s being appointed as Managing Director/Whole time Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a Whole time



Director in the management of the affairs of the Company. Such Whole Time Directors shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation. Provided further that the appointment of Nominee Director/s as Managing/Whole time Director/s, as aforesaid, is subject to the provisions of Sections 203 and 197 of the Companies Act, 2013 and any other applicable provisions of the Act and the rules made there under.

### **Special Directors**

- 132 In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice, the Directors may authorize such company, corporation, firm or person (hereinafter referred to as "Collaborator") to appoint from time to time any person as a Director of the Company (hereinafter referred to as "Special Director") and subject to the provisions of the Act, may agree that such Special Directors shall not be liable to retire by rotation so however that Special Director shall hold office so long as such collaboration arrangement remains in force. The Collaborator may at any time and from time to time remove such Special Director appointed by it and may at any time after such removal and also in the case of death or resignation of the person so appointed, at anytime nominate any other person as a Special Director in his place and such nomination or removal shall be made in writing signed by the collaborator, his authorised representative and shall be delivered to the Company at its registered office. It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one such person as a Director and so that if more than one collaborator is so entitled there may be at any time as many Special Directors as the number of Collaborators eligible to make the appointment.

### **Limit on number of retiring Directors**

- 133 The provisions of Articles 130, 131, 132 and 133 are subject to the provisions of Section 152 of the Companies Act, 2013, and the number of such Directors appointed under Articles 131, 132, 133 and 168 shall not exceed in the aggregate one-third of the total number of Directors for the time being in office. However, the Independent Director appointed under Section 152 of the Companies Act, 2013 will not be considered for the purpose of calculating the total number of directors liable for retirement by rotation and term of such Independent Director shall be as provided under Section 152 of the Companies Act, 2013.

### **Appointment of Alternate Director**

- 134 The Board may appoint a person, not being a person holding any alternate directorship for any other Director in the Company (hereinafter called the Original Director) to act as an Alternate Director for the Original Director during his absence for a period of not less than three months from India . Provided that no person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an independent director under the provisions of the Act. Every such Alternate Director, shall subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director is determined before he returns to India, any provision in the Act or in these Articles for the automatic-appointment of retiring Director in default of

another appointment shall apply to the Original Director and not to the Alternate Director.

#### **Directors may fill Vacancies**

- 135 The Directors shall have power at anytime and from time to time to appoint any qualified person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall retain his 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 as aforesaid but he shall then be eligible for re-election.

#### **Additional Director**

- 136 The Directors shall also have power at any time and from time to time to appoint any other qualified person, other than a person who fails to get appointed as a director in a general meeting of the Company, to be an Additional Director who shall hold office only up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.

#### **Qualification of Directors**

- 137 A Director shall not be required to hold any qualification shares.

#### **Remuneration of Directors**

- 138 The remuneration payable to a non-whole-time-Director for attending each meeting of the Board or a Committee thereof shall be such sum as may be fixed by the Board of Directors not exceeding the maximum as may be prescribed by the Act (and the rules made there under), SEBI, or by the Central Government. The Directors, subject to the sanction of the Central Government (if any required), may be paid such further remuneration as the Company in general meeting shall, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine; and in default of such determination shall be divided among the Directors equally.

#### **Extra remuneration to Directors for special Work**

- 139 Subject to the provisions of Sections 197 and 188 of the Companies Act, 2013 and other applicable provisions of the Act and the rules made there under, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a member of any committee formed by the Directors or in relation to signing share certificates) or to make special exertions in going or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company shall remunerate the Director so doing either by fixed sum or otherwise as may be determined by the Directors, and such remuneration may be, either in addition to or in substitution for his share in the remuneration above provided

#### **Travelling expenses incurred by Directors on Company's business**

- 140 The Board of Directors may subject to the limitations provided by the Act allow and pay to any Directors who attends a meeting at a place other than his usual place or 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.

**Directors may act notwithstanding vacancy**

- 141 The Continuing Directors may act notwithstanding any vacancy in their body, but if and as long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board of Directors, the Continuing Directors may act for the purpose of filling vacancies to increase the number of Directors to that fixed for the quorum or for summoning a general meeting of the Company, but for no other purpose.

**Disqualification for appointment of Directors**

- 142 (1) Subject to the provisions of Section 164 and 165 of the Companies Act, 2013, a person shall not be capable of being appointed Director of the Company, if –

(a) he is of unsound mind and stands so declared by a Court of competent jurisdiction;

(b) he is an un discharged insolvent;

(c) he has applied to be adjudged an insolvent and his application is pending;

(d) he has been convicted by a court of any offence involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence ;Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director of the Company.

(e) he has not paid any call in respect of shares of the Company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;(f) he has been convicted of the offence dealing with related party transactions under Section 188 of the Companies Act, 2013 at any time during the last preceding five years; or

(g) he has not complied with sub-section (3) of Section 152 of the Companies Act, 2013.

- (2) No person who is or has been a director of a company, where the company—

(a) has not filed financial statements or annual returns for any continuous period of three financial years; or

(b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

**Vacation of office by Directors**

- 143 (1) Subject to the provisions of Section 167 of the Companies Act, 2013, the office of a Director shall become vacant if :

(a) he incurs any of the disqualifications specified in Section 164 of the

Companies Act, 2013;

(b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;

(c) he acts in contravention of the provisions of Section 184 of the Companies Act, 2013, relating to entering into contracts or arrangements in which he is directly or indirectly interested;

(d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Companies Act, 2013;

(e) he becomes disqualified by an order of a court or the Tribunal;

(f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months: Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;

(g) he is removed in pursuance of the provisions of the Act;

(h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

#### **Removal of Directors**

- 144 (a) The Company may (subject to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013 and these Articles) by ordinary resolution remove any Director before the expiry of his period of office. Provided that nothing contained in this sub-clause shall apply where the Company has availed itself of the option given to it under Section 163 of the Companies Act, 2013, to appoint not less than two-thirds of the total number of directors according to the principle of proportional representation.
- (b) Special notice shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
- (c) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith sends copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- (d) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so - (a) in the notice of the resolution given to the members of the Company, state the fact of the representations having been made, and (b) send a copy of the representations to every member of the Company to whom notice of the meeting is sent (before or after the receipt of the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting: Provided that copies of the representations need not be sent or read out at the meeting if on the

application either of the Company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter, and the Tribunal may order the Company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

- (e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board be filled by the appointment of another director in his stead at the meeting at which he is removed; Provided special notice of the intended appointment has been given. A Director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed as aforesaid.
- (f) If the vacancy is not filled under sub-clause (e), it may be filled as a casual vacancy in accordance with the provisions of the Act.
- (g) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.
- (h) Nothing contained in this Article shall be taken:
  - i) as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or
  - ii) As derogating from any power to remove a Director under the provisions of the Act.

#### **Disclosure of Director's Interest**

- 145 (1) Every Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors, in the manner provided in Section 184 of the Companies Act, 2013.
- (2) Every director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—
- (i) with a body corporate in which such Director or such Director in association with any other Director, holds more than two per cent of the shareholding of that body corporate, or is a promoter, manager, chief executive officer of that body corporate; or
  - (ii) with a firm or other entity in which, such Director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting: Provided that where any Director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

- (3) Nothing in this Article shall –
- (a) be taken to prejudice the operation of any rule of law restricting a Director of the Company from having any concern or interest in any contract or arrangement with the Company;
  - (b) apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any one or more of the Directors of the Company together holds or hold not more than two percent of the paid up share capital in other company.

**Board resolution necessary for certain contracts**

- 146 (1) Except with the consent of the Board of Directors of the Company (or the Audit Committee) given by a resolution at a meeting of the Board and subject to such conditions as may be prescribed by the Company, a Company shall not enter into any contract or arrangement with a related party with respect to,
- (a) sale, purchase or supply of any goods or materials;
  - (b) selling or otherwise disposing of, or buying, property of any kind;
  - (c) leasing of property of any kind;
  - (d) availing or rendering of any services;
  - (e) appointment of any agent for purchase or sale of goods, materials, services or property;
  - (f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
  - (g) underwriting the subscription of any securities or derivatives thereof, of the company: Notwithstanding the provisions of this sub-clause (1) of this Article, where prescribed, the Company shall enter into such contracts and / or arrangements only with the prior approval of the members of the Company by a special resolution. However, no member of the Company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party: It is clarified that this sub-clause shall not apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.
- (2) Every contract or arrangement entered into under sub-clause (1) shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement.

Disclosure to the members of Director's interest in contract in appointing manager

- 147 If the Company –
- (a) enters into a contract for the appointment of a manager or a Managing Director of the Company in which contract any Director of the Company is in any way directly or indirectly concerned or interested, or
  - (b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the

Companies Act, 1956 or other applicable provisions of law shall be complied with.

**Loans to Directors etc.**

- 148 Subject to the provisions of Section 185 of the Companies Act, 2013, the Company shall not, directly or indirectly make any loan to any of its directors or to any other person in whom the director is interested or give any guarantee or provide any security in connection with a loan taken by him or such other person.

**Loans etc. to Companies**

- 149 The Company shall observe the restrictions imposed on the Company in regard to making any loans, giving any guarantee or providing any security to the companies or bodies corporate under the same management as provided in Section 186 of the Companies Act, 2013.

**Interested Director not to participate or to vote In Board's proceedings.**

- 150 No Director of the Company shall as a Director take any part in the discussion of or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, it shall be void;

**ROTATION & APPOINTMENT OF DIRECTORS**

**Directors may be Directors of Companies promoted by the Company**

- 151 A Director may be or become a Director of any Company or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197 or Section 188 of the Companies Act, 2013 (and the rules made there under) may be applicable.

**Rotation of Directors**

- 152 Not less than two-thirds of the total number of Directors shall (a) be persons whose period of the office is liable to determination by retirement of Directors by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.

**Retirement of Directors**

- 153 Subject to the provisions of Section 284(5) of the Companies Act, 1956 or Section 169(5) and 169 (6) of the Companies Act, 2013, at every annual general meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three the number nearest to one-third, shall retire from office. The Debenture Directors, Corporation Directors, Special Directors, or Managing Directors, if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.

**Ascertainment of Directors retiring by rotation and filling of vacancies**



154 The Directors who retire by rotation under Article 156 at every annual general meeting shall be those who have been longest in office since their last appointment, but as between those who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot.

**Eligibility for re-election**

155 A retiring Director shall be eligible for the re-appointment.

**Company to fill Vacancies**

156 Subject to the provisions of the Act, the Company at the annual general meeting at which a Director retires in manner aforesaid may fill up the vacancy by appointing the retiring Director or some other person thereto.

**Provisions in default of appointment**

- 157 (a) If the place of retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place.
- (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless –
- i) at the meeting or the previous meeting a resolution for the reappointment of such Director has been upto the meeting and lost;
  - ii) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
  - iii) he is not qualified or is disqualified for appointment; or
  - iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act,

**Company may increase or reduce the number of Directors or remove any Director**

158 Subject to the provisions of Sections 149 and 152 of the Companies Act, 2013, the Company may, by special resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.

**Appointment of Directors to be voted Individually**

- 159 (1) No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.
- (2) A resolution moved in contravention of clause (1) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved is passed, no provision for the automatic-appointment of retiring Director in default of another appointment as hereinbefore provided, shall apply.

- (3) For the purpose of this Article, a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.

#### **Notice of candidature for office of Director except in certain cases**

- 160
- (1) Subject to the provisions of the Act, a person, not being a Retiring Director in terms of Section 152 of the Companies Act, 2013, shall be eligible for appointment to the office of Director at any general meeting if he or some other member intending to propose him has, at least fourteen days before the meeting, left at the registered office of the Company a special notice in writing under his hand signifying his candidature for the office of a Director or the intention of such member to propose him as a Director for office as the case may be along with the deposit of Rupees one lakh or such higher amount as may be prescribed which shall be refunded to such person or as the case may be, to the member, if the person succeeds in getting elected as a Director or secures more than 25% of the total valid votes cast either by way of show of hands or on a poll on such resolution.
  - (2) The Company shall inform its members of the candidature of the person for the office of Director in such manner as may be prescribed.
  - (3) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company, a notice under Section 160 of the Companies Act, 2013, signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director if appointed.
  - (4) A person other than :
    - (a) A Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
    - (b) An Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Companies Act, 2013, appointed as a Director or re-appointed as an Additional or Alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

#### **Register of Directors etc. and notification of change to Registrar**

- 161
- The Company shall keep at its registered office a Register containing the particulars of its Directors and key managerial personnel as specified in Section 170 of the Act, and shall send to the Registrar a Return containing the particulars specified in such Register, and shall otherwise comply with the provisions of the said Section in all respects.

#### **MANAGING DIRECTOR, WHOLE TIME DIRECTOR**

#### **Board may appoint Managing Director or Managing Director(s) or Whole Time Directors**

162 Subject to the provisions of Section 196, 203 and other applicable provision of the Companies Act, 2013, and these Articles, the Directors shall have power to appoint or re-appointment any person to be Managing Director, or Whole-Time Director for a term not exceeding five years at a time Provided that no re-appointment shall be made earlier than one year before the expiry of his term. Such a Managing Director can also act as chairperson of the Company.

**What provisions they will be subject to**

163 Subject to the provisions of the Act and these Articles, the Managing Director, or the Whole time Director shall not, while he continues to hold that office, be subject to retirement by rotation under Article 156 both shall be subject to the provisions of any contract between him and the Company, be subject to the same provisions as the resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole Time Director if he ceases to hold the office of Director from any cause provided that if at any time the number of Directors (including Managing Director or Whole time Directors) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or Whole Time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation in to the intent that the Directors so liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

**Remuneration of Managing or Whole Time Director(s)**

164 The remuneration of the Managing Director, Whole time Director, or Manager shall (subject to Sections 309 to 311 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors from time to time and may be by way of fixed salary and/or perquisites or commission on profits of the Company or by participation in such profits, or by fee for such meeting of the Board or by and for all these modes or any other mode not expressly prohibited by the Act.

**Powers and duties of Managing and Whole Time Director(s)**

165 Subject to the superintendence, control and direction of the Board the day to day management of the Company shall be in the hands of the Managing Director(s) and/or Whole Time Director(s) appointed under Article 162 with power to the Board to distribute such day to day management functions among such Director(s) in any manner as deemed fit by the Board and subject to the provisions of the Act and these Articles the Board may by resolution vest any such Managing Director or Managing Directors or Whole time Director or Whole time Directors such of the power hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine and they may subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of or 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 of such powers.

**PROCEEDINGS OF THE BOARD OF DIRECTORS**

**Meeting of Directors**

166 The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the proviso to Section 173 of the Companies Act, 2013 otherwise directs, shall so meet at least once in every one hundred and twenty days and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

#### **Notice of meetings**

167 (1) Notice of every meeting of the Board of Directors shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.

#### **When meeting to be Convened**

(2) A Director may at any time and the Secretary upon the request of Director made at any time shall convenes meeting of the Board of Directors by giving a notice in writing to every Director for the time being in India and at his usual address in India to every other Director. Notice may be given by telex or telegram to any Director who is not in India.

#### **Quorum**

168 (a) Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher, PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the total strength, the number of the remaining Directors (that is to say, the number of Directors who are not interested) present at the meeting being not less than two shall be quorum during such time.

(b) For the purpose of clause (a) :

(i)“Total Strength” of the Board of Directors of the Company shall be determined in pursuance of the Act, after deducting there from number of the Directors, if any, whose places may be vacant at the time, and

(ii)“Interested Directors” means any Director whose presence cannot by reason of Article 153 hereof or any other provisions in the Act count for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion or vote on any matter.

#### **Procedure when meeting adjourned for want of quorum**

169 If a meeting of the Board could not be held for want of quorum then the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place.

#### **Chairman**

170 One of the Directors shall be the Chairman of the Board of Directors who shall preside at all meetings of the Board. If at any meeting the Chairman is not present at the time appointed for the meeting then the Directors present shall elect one of them as Chairman who shall preside.

### **Questions at Board meeting how decided**

- 171 Subject to provisions of Section 203, and 203 of the Companies Act, 2013, and other applicable provisions of law, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes, the Chairman shall have second or casting vote.

### **Powers of Board Meetings**

- 172 A meeting of the Board of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or these Articles or the regulations for the time being of the Company are vested in or are exercisable by the Board of Directors generally.

### **Directors may appoint committees**

- 173 The Board of Directors may, subject to the provisions of Section 179 of the Companies Act, 2013, and other relevant provisions of the Act and these Articles, appoint committees of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board.

### **Meeting of the Committee how to be Governed**

- 174 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.

### **Circular Resolution**

- 175 (1) A resolution passed by circular without a meeting of the Board or a Committee of the Board appointed under Article 179 shall subject to the provisions of sub-clause (2) hereof and the Act be as valid and effectual as the resolution duly passed at meeting of, the Directors or of a Committee duly called and held.
- (2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution, has been circulated in draft together with necessary papers, if any, to all the Directors or to all the members of the Committee then in India (not being less in number than in the quorum fixed for a meeting of the Board or Committee as the case may be), and to all other Directors or members of the Committee at their usual addresses in India in accordance with the provisions of Section 175(1) of the Companies Act, 2013, and has been approved by such of the Directors or members of the Committee as are in India or by a majority of such of them as are entitled to vote on the resolution.

### **Acts of Board or Committee valid notwithstanding defect in appointment**

176 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 one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be 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. Provided nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

## **POWERS OF THE BOARD**

### **Powers of Director**

177 Subject to the provisions of the Act, 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 are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in general meeting, subject nevertheless to these Articles to the provisions of the Act, or any other Act and to such regulations (being not inconsistent with the aforesaid regulations or provisions), as may be prescribed by the Company in general meeting but no regulations made by the Company in General Meeting shall invalid at any prior act of the Board which would have been valid if that regulation had not been made, PROVIDED that the Board shall not, except with the consent of the Company by a special resolution in a general meeting:

(a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking;

(b) remit, or give time for the payment of any debt due by a Director;

(c) invest otherwise than in trust securities the amount of compensation received by the Company as a result of a merger or amalgamation;

(d) borrow money where the money to be borrowed together with the money already borrowed by the Company will exceed the aggregate of the paid up capital of the Company and its free reserves, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business); or,

(i) Provided that in respect of the matter referred to in sub-clause (d) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which monies may be borrowed by the Board under clause (d);

(ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term, cash credit arrangements, the discounting of bills and the issue of other short term loans of a reasonable character, but does not include loans raised for the purpose of financing expenditure of a capital nature.

### **Certain powers to be exercised by the Board only at meetings**

178 Without derogating from the powers vested in the Board of Directors under

these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolution passed at the meetings of the Board :

- (a) to make calls on shareholders in respect of money unpaid on their shares;
- (b) To authorize buy-back of securities under Section 68 of the Companies Act, 2013;
- (c) to borrow monies;
- (d) to invest the funds of the Company;
- (e) to grant loans or give guarantee or provide security in respect of loans;
- (f) to approve financial statement and the Board's report;
- (g) to diversify the business of the Company;
- (h) to approve amalgamation, merger or reconstruction;
- (i) to take over a company or acquire a controlling or substantial stake in another company;
- (j) any other matter which may be prescribed under the Act and the rules made there under.

Provided that the Board may by resolution passed at a meeting delegate to any Committee of Directors, Managing Director or any other principal officer of the Company, or in case of branch office of the Company a principal officer of the branch office, the powers specified in (c), (d) and (e) of this sub-clause on such terms as it may specify.

#### **Certain powers of the Board**

179 Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers and without prejudice to the last preceding Article it is hereby declared that the Directors shall have the following powers that is to say, power:

- (1) to pay the costs, charges and expenses preliminary and incidental to the formation, promotion, establishment and registration of the Company;
- (2) to pay and charge the capital account to the Company any commission or interest, lawfully payable there out under the provisions of Section 40 of the Companies Act, 2013 and other applicable provisions of law;
- (3) subject to Sections 179 and 188 of the Companies Act, 2013, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire at or for price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
- (4) at their discretion and subject to the provisions of the Act to pay for any property, rights or privileges by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be



agreed upon, and any such bonds, debentures, mortgages 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;

(5) to secure the fulfilments of any contracts or engagement entered into by the Company mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit;

(6) to accept from any member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;

(7) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested or for any other purposes and to execute and 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;

(8) to institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officer, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment on 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 law or according to foreign law and either in India or abroad and observe and perform or challenge any award made therein;

(9) to act on behalf of the Company in all matters relating to bankrupts and insolvents;

(10) to make and give receipts, release and other discharge for monies payable to the Company and for the claims and demands of the Company;

(11) subject to the provisions of Sections 179, 180 and 185, of the Companies Act, 2013 and other applicable provisions of law, to invest and deal with any monies of the Company not immediately required for the purpose thereof, upon such security (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 Companies Act, 2013, all investments shall be made and held in the Company's own name;

(12) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgage of the Company's property (present and 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;

(13) to determine from time to time 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;

(14) to distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as a part of working expenses of the Company;

(15) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and wives, widows, and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the applicable provisions of law to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;

(16) before recommending any dividend, subject to the provision of Section 123 of the Companies Act, 2013, to set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation fund, or to insurance fund, or as a reserve fund or sinking fund or any special fund to meet contingencies or to repay debentures or debenture stock or for special dividends 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 purposes referred to in the preceding clause) as the Board may, in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Companies Act, 2013, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than share of this Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof may be matters to or upon which the capital monies of the Company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit; with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund and/or division of a reserve fund and with full power to employ and assets constituting all or any of the above funds including the depreciation fund, in the business of the Company or in purchase or repayment of debentures or debenture stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine percent per annum;

(17) 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 to such amounts as they may think fit, and also from time to time to provide for the management and transaction of the affairs of the Company in specified locality in India or elsewhere in such manner as they think fit; and the provision contained in the next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause;

(18) to comply with the requirement of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with;

(19) from time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such Local Boards, and to fix their remuneration;

(20) subject to Section 179 of the Companies Act, 2013, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow monies; and to authorize the member for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation;

(21) 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 authorized by the Board the power to make loans and borrow monies) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointments may (if the Board thinks fit) be made in favour of the members or any of the members of any local board established as aforesaid or in favour of any company, or the shareholders, Directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of Attorney may contain such powers for the protection or convenience of persons 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;

(22) subject to the provisions of the Companies Act, 2013, for or in relation of any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;

(23) From time to time to make, vary and repeal by-laws for the regulation of the business of the Company, its officers and servants.

## MINUTES

### Minutes to be considered evidence

- 180 (1) The Company shall cause minutes of all proceedings of general meetings of any class of shareholders or creditors, and every resolution passed by postal ballot or by electronic means and every meeting of the Board of Directors or of every committee of the Board to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.

- (2) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (3) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
- (4) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:
  - (a) the names of the Directors present at the meeting; and
  - (b) in the case of each resolution at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.
- (5) Nothing contained in clauses (1) to (4) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:
  - (a) is or could reasonably be regarded as defamatory of any person;
  - (b) is irrelevant or immaterial to the proceedings; or
  - (c) is detrimental to the interest of the Company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

#### **Minutes to be evidence of the proceedings**

- 181 The minutes of meeting kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein,

#### **Presumptions to be drawn where minutes duly drawn and signed**

- 182 Where the minutes of the proceedings of any general meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with provisions of Section 118 of the Companies Act, 2013, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.

#### **Inspection of Minutes Books of General Meetings**

- 183 (1) The books containing the minutes or the proceedings of any general meeting 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 Companies Act, 2013, 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.
- (2) Any member of the Company shall be entitled to be furnished within seven working days after he has made a request in that behalf to the Company and on payment of such sums as may be prescribed, with a copy of any minutes referred to in sub-clause (1) hereof.

### **Publication of report of proceedings of General Meeting**

- 184 No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Companies Act, 2013 to be contained in the minutes of the proceedings of such meetings.

## **MANAGEMENT**

### **Prohibition of simultaneous appointment of different categories of managerial personnel**

- 185 The Company shall not appoint or employ at the same time a Managing Director and a Manager.
- 186 Subject to the provisions of the Act -
- (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 financial officer so appointed may be removed by means of a resolution of the Board;
  - (ii) a director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.
- 187 A provision of the Act or these regulations requiring or authorizing 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 it being done by or to the same person acting both as director and as, or in place of, the chief executive officer, manager, company secretary or chief financial officer.

### **The Seal, its custody and use**

- 188 (1) The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, under such regulations as the Board may prescribe.
- (2) the Seal shall not be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of any two officials of the Company or such other person, the Board may appoint in that behalf who shall sign every instrument to which the Seal is affixed. Provided that the certificates of shares or debentures shall be sealed in the manner and in conformity with the provisions of the Companies (Share Capital and Debenture) Rules, 2014, and their statutory modifications for the time being in force.

## **DIVIDEND WARRANTS**

### **Division of profits**

- 189 (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 where of 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.

- (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.
- (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms provided that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

#### **The Company in general meeting may declare dividend**

190 The Company in general meeting may declare dividends, to be paid to members according to their respective rights and interest 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.

#### **Dividend out of profits only**

- 191
- (1) No dividend shall be declared or paid by the Company for any financial year except (a) out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of sub-clause (2) or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both; or(b) out of the monies provided by the Central Government or State government for the payment of dividend in pursuance or guarantee given by the Government.
  - (2) For the purposes of sub-clause (1), the depreciation shall be provided in accordance with the provisions of Schedule II of the Companies Act, 2013.
  - (3) No dividend shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by members of the Company.

#### **Interim Dividend**

192 The Board of Directors may from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.

#### **Debts may be deducted**

193 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.

#### **Capital paid up in advance at interest not to earn dividend**

194 Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.

#### **Dividends in proportion to amount paid up**

195 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.

#### **Retention of dividends until in certain cases**

- 196 The Board of Directors may retain the dividend payable upon shares in respect of which any person under the Transmission Clause 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.

#### **No member to receive dividend whilst liberated to the Company and the Company's right of reimbursement thereof**

- 197 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 to any member all such sums of monies so due from him to the Company.

#### **Effect of transfer of Shares**

- 198 A transfer of shares does not pass the right to any dividend declared Thereon before the registration of the transfer.

#### **Dividend to joint Holders**

- 199 Any one of several persons who are registered as joint holders of any share may give effectual receipt for all dividends or bonus and payments on account of dividends in respect of such share.

#### **Dividend how remitted**

- 200 The dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend or in case of joint-holders to the registered address of that one of the joint-holders which is first named on the register of members or to such person and to such address as the holder or the joint-holder may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission or for any dividend lost, to the member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.

#### **Notice of dividend**

- 201 Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided.

#### **Dividend to be paid within forty-two days**

- 202 (1) The Company shall pay the dividend or send the warrant in respect thereof to the shareholder entitled to the payment of dividend, within forty two days from the date of the declaration unless :

(a) where the dividend could not be paid by reason of the operation of any



law;

(b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with;

(c) where there is a dispute regarding the right to receive the dividend;

(d) where the dividend has been lawfully adjusted by the company against any sum due to it from the shareholder, or

(e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

(2) (a) where the dividend has been declared but which has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment thereof, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any Scheduled Bank to be called “Unpaid Dividend Account of **SALEBHAI INTERNET LIMITED**”

(b) The Company shall, within a period of ninety days of making any transfer of an amount under sub clause(a) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed

(c) If any default is made in transferring the total amount referred to in sub-clause (1) or any part thereof to the Unpaid Dividend Account of the Company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.

(d) Any person claiming to be entitled to any money transferred under sub-clause (1) to the Unpaid Dividend Account of the Company may apply to the Company for payment of the money claimed.

(e) Any money transferred to the Unpaid Dividend Account of the Company in pursuance of this Article which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company along with interest accrued, if any, thereon to the Investor Education and Protection Fund of the Central Government.

(f) the Company shall when making any transfer to the Investor Education and Protection Fund of the Central Government any unpaid or unclaimed dividend, furnish to such officer as the Central Government may appoint in this behalf a statement in the prescribed form seeing forth in respect of all sums included in such transfer, the nature of the sums, the names and last known addresses of the persons entitled to receive the sum, the amount to which each person is entitled and the nature of his claim thereto and such other particulars as may be prescribed.

(g) No unclaimed or unpaid dividend shall be forfeited by the Board of Directors until the claim becomes barred by law.

## CAPITALISATION

### Capitalisation

- 203 (1) The Company in General Meeting may, upon the recommendation of the Board, resolve :
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the Profit and Loss Account or otherwise available for distributions; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause
- (3), either in or towards:
- (i) paying up any amount for the time being unpaid on any shares held by such members respectively;
  - (ii) paying up in full unissued shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
  - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);
  - (iv) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - (v) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

### Fractional Certificates

- 204 (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any, and
  - (b) Generally do all acts and things required to give effect thereto.
- (2) The Board shall have full power :
- (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions; and also
  - (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an arrangement 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) forth payment by the Company on their behalf, by the application thereto of

their respective proportions of the profits resolved to be capitalized to the amounts of any part of the amounts remaining unpaid on their existing shares.

- (3) Any agreement made under such authority shall be effective and binding on all such members.
- (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 certificate as they think fit.

## ACCOUNTS

### Books to be kept

- 205
- (1) The Company shall prepare and keep at its registered office proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Companies Act, 2013, as would give a true and fair view of the state of affairs of the Company including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting: Provided that all or any of the books of accounts aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decide the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. Provided further that the company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed.
  - (2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of sub-clause (1) if proper books of accounts relating to the transactions affected at the branch are kept at that office and proper summarised returns made upto date at intervals of not more than three months are sent by the branch office to the Company at its registered office or the other place referred to in sub-clause (1). The books of accounts and other books and paper maintained by the Company within India shall be open to inspection at the registered office of the Company or at such other place in India by any Director during business hours and in the case of financial information, if any, maintained outside the country, copies of such financial information shall be maintained and produced for inspection by any Director subject to such conditions as may be prescribed: Provided that the inspection in respect of any subsidiary of the Company shall be done only by the person authorised in this behalf by a resolution of the Board of Directors.
  - (3) The books of account of the Company relating to a period of not less than eight financial years immediately preceding a financial year, or where the Company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order: Provided that where an investigation has been ordered in respect of the Company under Chapter XIV of the Companies Act, 2013, the Central Government may direct that the books of account may be kept for such longer period as it may deem fit.

### Financial Statements

- 206 (1) The Board of Directors shall in accordance with Section 129, 133 and 134 of the Companies Act, 2013 and the rules made there under, cause to be prepared and laid before each annual general meeting, financial statements for the financial year of the Company which shall be a date which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
- (2) The financial statements of the Company shall give a true and fair view of the state of affairs of the Company and comply with the accounting standard notified under Section 133 of the Companies Act, 2013 and shall be in the form set out in Schedule III to the Companies Act, 2013. Provided that the items contained in such financial statements shall be in accordance with the accounting standards.
- (3) In case the Company has one or more subsidiaries, it shall, in addition to financial statements provided under sub-clause (1), prepare a consolidated financial statement of the Company and of all the subsidiaries in the same form and manner as that of its own which shall also be laid before the annual general meeting of the company along with the laying of its financial statement under sub-section (1): Provided that the Company shall also attach along with its financial statement, a separate statement containing the salient features of the financial statement of its subsidiary or subsidiaries in such form as may be prescribed: Provided further that the Central Government may provide for the consolidation of accounts of companies in such manner as may be prescribed. For the purposes of this sub-clause, the word “subsidiary” shall include associate company and joint venture.

## **AUDIT**

### **Account to be audited**

- 207 Once at least in every year the accounts of the Company shall be audited and the correctness of the financial statements ascertained by one or more Auditor or Auditors.

### **Appointment of Auditors**

- 208 (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with the provisions of Chapter X of the Companies Act, 2013 and the rules made there under.
- (2) Subject to the provisions of Section 139 of the Companies Act, 2013, the Company shall at the first annual general meeting appoint an individual or a firm as an Auditor to hold office from conclusion of that meeting until the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the Company at such meeting shall be such as may be prescribed. Provided that the Company shall place the matter relating to such appointment for ratification by members at every annual general meeting; Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be prescribed, shall be obtained from the auditor; Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in Section 141 of the Companies Act, 2013; Provided also that the Company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed. “Appointment” includes

reappointment.

## DOCUMENTS AND NOTICES

### Service of documents or notices on members by the Company

- 209 (1) A document or notice may be served by the Company on any member thereof either personally or by sending it by registered post or by speed post or by courier service or by leaving it at his registered address or if he has no registered address in India, to the address if any, within India supplied by him to the Company for serving documents or notice on him or by means of such electronic or other mode as may be prescribed.
- (2) A document or notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.
- (3) A document or notice may be served by the Company on the joint holders of a share by serving it on the joint holder named first in the Register in respect of the share.
- (4) A document or notice may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter, addressed to them by name or by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the person claiming to be so entitled, or until such an address has been so supplied, serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.
- (5) The signature to any document or notice to be given by the Company may be written or printed or lithographed.

### To whom documents must be served or given

- 210 Document or notice of every general meeting shall be served or given in the same manner herein before authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the auditor or auditors for the time being of the Company, PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulating in the neighbourhood of the office of the Company under Article 90 a statement of material facts referred to in Article 90 need not be annexed to the notice, as is required by that Article, but is shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

### Members bound by documents or notices served on or given to previous holders

- 211 Every person who by operation of law, transfer or other means whatsoever, has become entitled to any share shall be bound by every document or notice in respect of such share, which prior to his name and address being entered on the Register of Members, shall have been duly served on or give to the person from whom he derived his title to such share.

### Service of documents on Company

212 A document may be served on the Company or an officer thereof by sending it to the Company or officer at the registered office of the Company by Registered Post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed. Provided that where securities are held with a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic or other mode.

**Service of documents by Company on the Registrar**

213 Save as provided in the Act or the rules made there under for filing of documents with the Registrar in electronic mode, a document may be served on the Registrar or any member by sending it to him at his office by post or by Registered Post or by speed post or by courier or delivering it to or leaving it for him at his office, or by such electronic or other mode as may be prescribed. Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting. The term “courier” means a person or agency which delivers the document and provides proof of its delivery.

**Registers and documents to be maintained by the Company**

214 The Company shall keep and maintain Registers, Books and Documents as required by the Act or these Articles, including the following:

(1) Register of Investments made by the Company but not held in its own name, as required by Section 187(3) of the Companies Act, 2013, and shall keep it open for inspection by any member or debenture holder of the Company without charge.

(2) Register of Mortgages and Charges and copies of instrument creating any charge requiring registration according to Section 85 of the Companies Act, 2013, and shall keep them open for inspection by any creditor or member of the Company without fee and for inspection by any person on payment of a fee of rupee ten for each inspection.

(3) Register and Index of Members as required by Section 88 of the Companies Act, 2013, and shall keep the same open for inspection during business hours, at such reasonable time on every working day as the Board may decide by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of a fee of rupees fifty for each inspection.

(4) Register and Index of Debenture Holders or Security Holders under Section 88 of the Companies Act, 2013, and keep it open for inspection during business hours, at such reasonable time on every working day as the Board may decide by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of rupees fifty for each inspection.

(5) Foreign Register, if so thought fit, as required by Section 88 of the Companies Act, 2013, and it shall be open for inspection and may be closed and extracts may be taken there from and copies thereof as maybe required in the manner, mutatis mutandis, as is applicable to the Principal Register.

(6) Register of Contracts with related parties and companies and firms etc. in

which Directors are interested as required by Section 189 of the Companies Act, 2013, and shall keep it open for inspection at the registered office of the Company during business hours by any member of the Company. The Company shall provide extracts from such register to a member of the Company on his request, within seven days from the date on which such request is made upon the payment of fee of ten rupees per page.

(7) Register of Directors and Key Managerial Personnel etc., as required by Section 170 of the Companies Act, 2013 and shall keep it open for inspection during business hours and the members of the Company shall have a right to take extracts there from and copies thereof, on a request by the members, be provided to them free of cost within thirty days. Such register shall also be kept open for inspection at every annual general meeting of the Company and shall be made accessible to any person attending the meeting.

(8) Register of Loans, Guarantee, Security and Acquisition made by the Company as required by Section 186 (9) of the Companies Act, 2013. The extracts from such register may be furnished to any member of the Company on payment of fees of ten rupees for each page.

(9) Books recording minutes of all proceedings of general meeting and all proceedings at meetings of its Board of Directors or of Committee of the Board in accordance with the provisions of Section 118 of the Companies Act, 2013.

(10) Copies of Annual Returns prepared under Section 92 of the Companies Act, 2013, together with the copies of certificates and documents required to be annexed thereto. Provided that any member, debenture holder, security holder or beneficial owner or any other person may require a copy of any such register referred to sub-clause (3), (4) or (5), or the entries therein or the copies of annual returns referred to in sub-clause (10) above on payment of a fee of ten rupees for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee.

## **WINDING UP**

### **Distribution of assets**

215 If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively, and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up, or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

### **Distribution in specie or kind**

216 (1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidator may, with the sanction of a special resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them



as a Liquidator, with such sanction shall think fit.

- (2) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed) by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined upon, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 319 of the Companies Act, 2013.
- (3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall if practicable act accordingly.

#### **Right of shareholders in case of sales**

- 217 A special resolution sanctioning a sale to any other Company duly passed pursuant to Section 319 of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid, determine that any shares or other consideration receivable by the Liquidator be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said sanction.

### **INDEMNITY**

#### **Directors' and others' rights to indemnity**

- 218 Subject to the provisions of Section 197 of the Companies Act, 2013, 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 out of the funds of the Company to pay 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 judgement is given in his favour or in which he is acquitted or in connection with any application under Section 463 of the Companies Act, 2013 in which relief is granted to him by the Court.

#### **Director, Officer not responsible for acts of others**

- 219 Subject to the provisions of Section 197 of the Companies Act, 2013, no Director, Auditor or other Officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses 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 insufficiency or deficiency of any of any security in or upon which any of the monies of the Company shall be invested, or for any loss or damages arising from insolvency or tortuous act of any person, firm or company to or with whom any monies, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgement, omission, default or oversight on his part or for any other loss, damage, or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

## **SECRECY CLAUSE**

### **Secrecy Clause**

220 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 Director, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy and confidentiality in respect of all transactions and affairs of the Company and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions, in these presents contained.

### **No member to enter the premises of the Company without permission**

221 No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Directors or Managing Director or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Director; it would be inexpedient in the interest of the Company to disclose.

## SECTION X – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which 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 on working days between 10.00 a.m. to 5.00 p.m. at the Registered Office of our Company located at 307-A, C/o Safal Pegashis, Opp. Kiran Motors, 100ft Road, Opp; Rivera Bunglows, Prahalad Nagar, Vejalpur Ahmedabad Gujarat – 380015 from date of filing the Prospectus with ROC till the Issue Closing Date.*

#### Material Contracts

- 1) Memorandum of Understanding dated March 06, 2018 between our Company to the Lead Manager to the Issue.
- 2) Agreement dated February 02, 2018 between our Company and the Registrar to the Issue
- 3) Underwriting Agreement dated April 02, 2018 between our Company, the Lead Manager, the Market Maker and Underwriter.
- 4) Market Making Agreement dated April 02, 2018 between our Company, Lead Manager and Market Maker.
- 5) Tripartite agreement among the NSDL, our Company and the Registrar to the Issue dated [●].
- 6) Tripartite agreement among the CDSL, our Company and the Registrar to the Issue dated [●].
- 7) Public Issue Account Agreement dated [●] signed between our Company, the Lead Manager, Banker(s) to the Issue/ Escrow Collection Bank(s) and the Registrar to the Issue.

#### Material Documents

- 1) Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
- 2) Copy of resolution passed at the meeting of the Board of Directors of our Company dated March 06, 2018, authorizing the Fresh Issue of Equity Shares.
- 3) Copy of special resolution of the shareholders passed at the Extra Ordinary General Meeting dated March 28, 2018, authorizing the Fresh Issue of Equity Shares.
- 4) Copy of resolution passed at the Board Meeting held on February 08, 2018 for fixing the term of appointment and the remuneration of, Mr. Vishwavijay Singh, Managing Director.
- 5) Copy of Certificate from the Auditors of the Company, M/s Sunil Dad & Co., Chartered Accountants dated May 11, 2018 regarding the Eligibility of the Issue.
- 6) Copy of Letter dated May 09, 2018 issued by Peer Reviewed Auditor to the Company, S. D. Mota & Associates, Chartered Accountants detailing the Tax Benefits.
- 7) Independent Audit Report and Restated Financial Statements for the Financial Year ended as on March 31, 2017, 2016, and for the ten months period ended on January 31, 2018 of our Company, issued by the Independent Auditor to the Company (Peer Reviewed Auditor), S. D. Mota & Associates, Chartered Accountants dated May 09, 2018 included in this Draft Prospectus.
- 8) Copies of Annual reports of the Company for the years ended March 31, 2017 and 2016.
- 9) Consents of our Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Chief Executive Officer, the Lead Manager, the Registrar to the Issue, the Statutory Auditors to the Company, Peer Reviewed Auditor, the Legal Advisor to the Issue, Banker(s) to the Company,

- Market Maker(s), Underwriter(s), and the Banker(s) to the Issue/ Escrow Collection Bank(s) to act in their respective capacities.
- 10) Copy of Board Resolution dated May 17, 2018 for approval of Draft Prospectus and dated [●] for approval of Prospectus.
  - 11) Copy of approval from BSE vide letter dated [●], to use the name of BSE in this offer document for listing of Equity Shares on BSE SME Platform.
  - 12) Legal Due diligence Report dated April 10, 2018 issued by Lawyer Miss Pooja Sharma.
  - 13) Due Diligence Certificate from Lead Manager dated May 16, 2018 filed with BSE and dated [●] filed with SEBI.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that, all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations 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 Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/ guidelines issued, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

### SIGNATURE BY ALL THE DIRECTORS OF OUR COMPANY

#### Name of the Directors

#### Signature

**Mr. Vishwavijay Singh**

Managing Director & CEO  
DIN No.: 05275900

Sd/-

**Mr. Anandprakash Varani**

Executive Director & CFO  
DIN No.: 02183747

Sd/-

**Mrs. Purba Kalita**

Executive Director  
DIN No.: 08065129

Sd/-

**Mrs. Dipti Udani**

Independent Director  
DIN No.: 08064564

Sd/-

**Mr. Virendrasingh Shekhavat**

Independent Director  
DIN No.: 06981792

Sd/-

**Mr. Pramod Rao**

Independent Director  
DIN No.: 01789413

Sd/-

### SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

**Ms. Chitra Thaker**

Company Secretary & Compliance Officer

Sd/-

**PLACE:** Ahmedabad

**DATE:** May 17, 2018