



## BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

Our Company was incorporated as "Bhatia Communications & Retail (India) Private Limited" under the provision of the Companies Act, 1956 vide certificate of incorporation dated March 25, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Bhatia Communications & Retail (India) Limited" and fresh certificate of incorporation dated January 17, 2018 was issued by the Assistant ROC, Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U32109GJ2008PLC053336. For further details, in relation to the change in the name and registered office of our Company, please refer to the section titled "History and Certain Corporate Matters" beginning on page 98 of this Prospectus.

**Registered office:** 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat, Gujarat -395 002.

**Tel:** 0261-2349892, **Website:** www.bhatiamobile.com; **E-Mail:** info@bhatiamobile.com;

**Contact Person:** Ms. Avani Chaudhari (Company Secretary and Compliance Officer)

PROMOTERS OF THE COMPANY: MR. SANJEEV BHATIA, MR. NIKHIL BHATIA AND MR. HARBANSLAL BHATIA	
<p><b>INITIAL PUBLIC OFFER OF 16,50,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF BHATIA COMMUNICATIONS &amp; RETAIL (INDIA) LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF RS. 150 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. 140 PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO RS. 2475.00 LAKHS ("ISSUE") CONSISTING OF A FRESH ISSUE OF 14,00,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF RS. 150 PER EQUITY SHARE AGGREGATING TO RS. 2100.00 LAKHS ("ISSUE") AND 2,50,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF RS. 150 PER EQUITY SHARE AGGREGATING TO RS. 375.00 LAKHS THROUGH AN OFFER FOR SALE BY MR. SANJEEV BHATIA (REFERRED AS SELLING SHAREHOLDER) OF WHICH 84,000 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH FOR A CASH PRICE OF RS. 150 PER EQUITY SHARE, AGGREGATING TO RS. 126.00 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 15,66,000 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH AT AN ISSUE PRICE OF RS. 150 PER EQUITY SHARE AGGREGATING TO RS. 2349.00 LAKHS (IS HEREINAFTER REFERRED TO AS THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.37% AND 25.03%, 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 198 OF THIS PROSPECTUS.</b></p>	
<p>THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME. For further details see "Terms of the Issue" beginning on page 198 of this Prospectus.</p>	
<p>All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled "Issue Procedure" beginning on page 206 of this Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15 % per annum for the period of delay.</p>	
<p>THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS ₹150 EACH. THE ISSUE PRICE IS 15 TIMES OF THE FACE VALUE.</p>	
RISK IN RELATION TO THE FIRST ISSUE	
<p>This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10 per Equity Shares and the Issue price is 15 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page 54 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 or sustained trading in the equity shares of our Company or regarding the price at which the Equity Shares will be traded after listing.</p>	
GENERAL RISKS	
<p>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 offering. 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 neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 9 of this Prospectus.</p>	
ISSUER'S & SELLING SHAREHOLDER ABSOLUTE RESPONSIBILITY	
<p>The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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.</p>	
LISTING	
<p>The Equity Shares offered through this Prospectus are proposed to be listed on the BSE SME Platform of Bombay Stock Exchange Limited ("BSE "). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, our company has received an in principle approval letter dated February 2, 2018 from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the Bombay Stock Exchange Limited ("BSE ").</p>	
LEAD MANAGER	REGISTRAR TO THE ISSUE
 <p><b>GUINNESS</b> <i>Redefining Services</i></p> <p><b>GUINNESS CORPORATE ADVISORS PRIVATE LIMITED</b> 18 Deshapriya Park Road, Kolkata - 700 026, West Bengal, India Tel: +91 - 33 - 3001 5555; Fax: +91 - 33 - 3001 5531 Email: gcapl@guinnessgroup.net Investor Grievance Email: gcapl.mbd@guinnessgroup.net Website: www.guinnessonline.net Contact Person: Mr. Devendra Shah / Ms. Alka Mishra SEBI Registration No.: INM 000011930</p>	 <p><b>PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED</b> Address: Unit no. 9, Shiv Shakti Ind. Est. J.R. Boricha Marg, Lower Parel, (E), Mumbai - 400011 Tel No: +91-022-23016761/8261 Fax No: +91-022-2301 2517 SEBI Registration NO: INR0000001112 Email Id: busicomp@vsnl.com / busicomp@gmail.com Website: www.purvashare.com Contact Person: Mr. V.B. Shah / Ms. Purva Shah</p>
ISSUE PROGRAMME	
ISSUE OPENS ON: February 8, 2018 (Thursday)	ISSUE CLOSES ON: February 12, 2018 (Monday)

<b>CONTENTS</b>	<b>PAGE NO.</b>
<b>SECTION I – GENERAL</b>	
DEFINITIONS AND ABBREVIATIONS	1
COMPANY RELATED TERMS	1
ISSUE RELATED TERMS	1
TECHNICAL AND INDUSTRY RELATED TERMS	3
CONVENTIONAL AND GENERAL TERMS /ABBREVIATIONS	4
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	7
FORWARD LOOKING STATEMENTS	8
<b>SECTION II – RISK FACTOR</b>	9
<b>SECTION III – INTRODUCTION</b>	
SUMMARY OF INDUSTRY OVERVIEW	21
SUMMARY OF BUSINESS OVERVIEW	23
SUMMARY OF OUR FINANCIAL INFORMATION	25
THE ISSUE	28
GENERAL INFORMATION	29
CAPITAL STRUCTURE	34
<b>SECTION IV – PARTICULARS OF THE ISSUE</b>	
OBJECTS OF THE ISSUE	49
BASIS FOR ISSUE PRICE	54
STATEMENT OF POSSIBLE TAX BENEFITS	57
<b>SECTION V – ABOUT US</b>	
INDUSTRY OVERVIEW	59
BUSINESS OVERVIEW	65
KEY INDUSTRY REGULATIONS AND POLICIES	93
HISTORY AND CERTAIN CORPORATE MATTERS	98
OUR MANAGEMENT	101
OUR PROMOTERS AND PROMOTER GROUP	111
FINANCIAL INFORMATION OF OUR GROUP COMPANIES	115
RELATED PARY TRANSACTIONS	122
DIVIDEND POLICY	123
<b>SECTION VI – FINANCIAL INFORMATION</b>	
AUDITORS’ REPORT ON RESTATED FINANCIAL INFORMATION	124
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	167
<b>SECTION VII – LEGAL AND OTHER INFORMATION</b>	
OUTSTANDINGS LITIGATIONS AND MATERIAL DEVELOPMENTS	174
GOVERNMENT AND OTHER STATUTORY APPROVALS	178
OTHER REGULATORY AND STATUTORY DISCLOSURES	184
<b>SECTION VIII – ISSUE RELATED INFORMATION</b>	
TERMS OF THE ISSUE	198
ISSUE STRUCTURE	203
ISSUE PROCEDURE	206
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	226
<b>SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION</b>	
MAIN PROVISIONS OF ARTICLES OF ASSOCIATION	227
<b>SECTION X – OTHER INFORMATION</b>	
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	265
<b>SECTION XI – DECLARATION</b>	267

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

Term	Description
“BCRIL”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Bhatia Communications & Retail (India) Limited, a Public Limited company incorporated under the Companies Act, 1956 and having Registered Office at 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat - 395002, Gujarat
Promoters	Mr. Sanjeev Bhatia, Mr. Nikhil Bhatia and Mr. Harbanslal Bhatia
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2 sub-regulation (zb) of the SEBI ICDR Regulations.

### COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company
Auditors and Peer Review Auditors	The Statutory auditors of our Company, being M/s. R Kejriwal & Co., Chartered Accountants
Board of Directors / Board	The Board of Directors of our Company or a committee constituted thereof
Companies Act	Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time.
CMD	Chairman and Managing Director
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of Bhatia Communications & Retail (India) Limited unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
ED	Executive Director
Indian GAAP	Generally Accepted Accounting Principles in India
IT	Information Technology
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “Our Management” on page No. 101 of this Prospectus
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Registered Office	The Registered office of our Company, located at 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat -395002, Gujarat
ROC / Registrar of Companies	Registrar of Companies, Gujarat, Dadra and Nagar Haveli.
WTD	Whole Time Director

### ISSUE RELATED TERMS

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.

ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee	The successful applicant to whom the Equity Shares are being / have been issued
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section “Issue Procedure - Basis of allotment” on page No. 223 of this Prospectus
Bankers to our Company	Rajkot Nagrik Sahakari Bank Ltd and HDFC Bank
Bankers to the Issue	<b>Kotak Mahindra Bank Limited</b>
Prospectus	The Draft Prospectus dated February 2, 2018 issued in accordance with Section 32 of the Companies Act filed with the BSE under SEBI(ICDR) Regulations, 2009.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Issue Opening Date	The date on which the Issue opens for subscription i.e February 8, 2018 (Thursday)
Issue Closing date	The date on which the Issue closes for subscription. i.e February 12, 2018 (Monday)
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application.
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 16,50,000 Equity Shares of Face Value of ₹ 10 each at ₹ 150 (including premium of ₹ 140) per Equity Share aggregating to ₹ 2475.00 Lacs ("the Issue") comprising of fresh issue of 14,00,000 Equity Shares aggregating to Rs. 2100 lakhs and an offer for sale of 2,50,000 equity shares by Promoter Selling Shareholders aggregating to Rs. 375 lakhs (“offer for sale”).
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being ₹ 150
LM / Lead Manager	Lead Manager to the Issue, in this case being Guinness Corporate Advisors Private Limited
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Agreement to be signed between our company and the SME Platform of BSE.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 15,66,000 Equity Shares of ₹ 10 each at ₹ 150 per Equity Share aggregating to ₹ 2,349.00 Lacs by Bhatia Communications & Retail (India) Limited
Prospectus	The Prospectus, filed with the ROC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Qualified Institutional Buyers / QIBs	Mutual Funds, Venture Capital Funds, or Foreign Venture Capital Investors registered with the SEBI; FIIs and their sub-accounts registered with the SEBI, other than a subaccount which is a foreign corporate or foreign individual; Public financial institutions as defined in Section 4A of the Companies Act; Scheduled Commercial Banks; Multilateral and Bilateral Development Financial Institutions; State Industrial Development Corporations; Insurance Companies registered with the Insurance Regulatory and Development Authority; Provident Funds with minimum corpus of Rs 2,500 Lacs; Pension Funds with minimum corpus of Rs 2,500 Lacs; National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and Insurance Funds set up and managed by the army, navy, or air force of the Union of India. Insurance Funds set up and managed by the Department of Posts, India.

Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Registrar / Registrar to the Issue	Registrar to the Issue being Purva Sharegistry (India) Private Limited.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
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.
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html</a> Intermediaries.
SME Platform of BSE	The SME Platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
Underwriters	Underwriters to the issue are Guinness Corporate Advisors Private Limited and NNM Securities Pvt. Ltd
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated January 19, 2018
Working Days	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in India are open for business, provided however, with reference to announcement of Price Band and Issue Period shall mean all days, excluding Saturdays, Sundays and public holidays on which commercial banks in Mumbai are open for business and the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

#### TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
2G	Second Generation Mobile Telecommunication
3G	Third Generation Mobile Telecommunication
4G	Fourth Generation Mobile Telecommunication
CDMA	Code Division Multiple Access
EIR	Equipment Identity Register
ESN	Electronic Serial Number
GMPCS	Global Mobile Personal Communications by Satellite
GSM	Group Special Mobile also Known as Global System for Mobile Communications
IMEI	International Mobile Equipment Identity
ISPs	Internet Service Providers
IVR	Interactive Voice Response
OEM(s)	Original Equipment Manufacturer(s)
MMS	Multimedia Messaging Service
PCB	Printed Circuit Board
PMRTS	Public Mobile Radio Trunked Services
SMS	Short Messaging Services
SMT	Surface Mount Technology
Tier 1	Cities with population of more than three million
Tier 2	Cities with population between one to three million
Tier 3	Cities with population of less than one million

Dongle	A device that attaches to a computer to access internet.
FWT	Fixed Wireless Telephone
EVDO	Enhanced Voice- Data Optimized
OMH	Open Market Handset

## CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AY	Assessment Year
BG	Bank Guarantee
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
DCA	Department of corporate affairs
DIN	Director's identification number
DP/ Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996
DP ID	Depository Participant's identification Number
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/Government/GOI	Government of India
HUF	Hindu Undivided Family

IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
Indian GAAP	Generally Accepted Accounting Principles in India.
I.T. Act	Income Tax Act, 1961, as amended from time to time
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
Ltd.	Limited
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
MOF	Minister of Finance, Government of India
MOU	Memorandum of Understanding
MPR	Monthly Policy Review
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NIFTY	National Stock Exchange Sensitive Index
NOC	No Objection Certificate
NR/ Non Residents	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Security appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations /ICDR Regulations/SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.

Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small And Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE Limited
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.



## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Financial Data**

Unless stated otherwise, the financial data in the Prospectus is derived from our audited financial statements for the period ended September 30, 2017 and financial year ended March 31, 2017, 2016, 2015, 2014, and 2013 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2009 and the Indian GAAP which are included in the Prospectus, and set out in the section titled 'Financial Information' beginning on page number 124 of the Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In the Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled 'Risk Factors', 'Business Overview' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on page 9, 23 and 167 respectively, of the Prospectus and elsewhere in the Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2009 and the Indian GAAP.

### **Industry and Market Data**

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

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

### **Currency and units of presentation**

In the Prospectus, unless the context otherwise requires, all references to;

- 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India.
- 'US Dollars' or 'US\$' or 'USD' or '\$' are to United States Dollars, the official currency of the United States of America, EURO or "€" are Euro currency,

All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten lacs' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

## FORWARD LOOKING STATEMENTS

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

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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- ❖ General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- ❖ Competition from existing and new entities may adversely affect our revenues and profitability;
- ❖ Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- ❖ Our business and financial performance is particularly based on market demand and supply of our products;
- ❖ The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- ❖ Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- ❖ Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- ❖ The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “Risk Factors”, “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 9, 23 and 167 of this Prospectus, respectively. 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 gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the LM, or 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. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

## SECTION II

### RISK FACTORS

Investment in our Equity Shares involves a high degree of risk and Bidders should not invest any funds in the Offer unless Bidders can afford to take the risk of losing all or a part of your investment. The risks and uncertainties described below together with the other information contained in this Prospectus should be carefully considered before making an investment decision in our Equity Shares. The risks described below are not the only ones relevant to the country or the industry in which we operate or our Company or our Equity Shares. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise and may become material in the future and may also impair our business operations and financial condition. Further, some events may have a material impact from a qualitative perspective rather than a quantitative perspective and may be material collectively rather than individually. To have a complete understanding of our Company, you should read this section in conjunction with the sections entitled "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page no. 23 and 167 respectively, as well as the other financial and statistical information contained in this Prospectus. If any of the risks described below, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, prospects, financial condition and results of operations could suffer materially, the trading price of our Equity Shares could decline, and you may lose all or part of your investment

Prior to making an investment decision, Bidders should carefully consider all of the information contained in this Prospectus (including "Financial Information" on page no. 124) and must rely on their own examination of our Company and the terms of the Offer including the merits and the risks involved. You should also consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Offer. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks mentioned herein. We have described the risks and uncertainties that our management believe are material but the risks set out in this Prospectus may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. In making an investment decision, Bidders must rely on their own examination of us and the terms of the Offer including the merits and the risks involved. This Prospectus also contains forward-looking statements that involve risk and uncertainties. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the considerations described below in the section entitled "Forward-Looking Statements" on page no. 8 , and elsewhere in the Prospectus. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.

#### 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 found material collectively.
2. Some events may have material impact qualitatively instead of quantitatively.
3. Some events may not be material at present but may be having material impact in future.

In this Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "**Risk Factors**" on page 9 and "**Management Discussion and Analysis of Financial Condition and Results of Operations**" on page 167 of this Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Audited Financial Statements, as restated" prepared in accordance with the Indian Accounting Standards.

- 1. Our Company, Promoter/ Directors is involved in certain legal proceedings. Any adverse decision on our Company in such proceedings may have a material adverse effect on our business, results of operations and financial conditions.**

Our Company is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various Courts, tribunals and forums.

Mentioned below are the details of the proceedings pending against our Company, and filed by our Company as on the date of this Prospectus along with the amount involved, to the extent quantifiable.

**Matters involving our Company:**

<b>Nature of Case</b>	<b>No. of Outstanding Matters</b>	<b>Amount Involved (Rs. In Lakhs)</b>
<b>Against our Company</b>		
Tax Related Matters	1	25.55

**Cases filed by our Directors and Promotes:**

<b>Nature of Case</b>	<b>No. of Outstanding Matters</b>	<b>Amount Involved (Rs. In Lakhs)</b>
Criminal Case	1	-

\* Amount mentioned to the extent quantifiable. The amounts may be subject to additional interest/other charges being levied by the concerned authorities which is unascertainable as on the date of this Prospectus

- 2. Our Company requires several statutory and regulatory permits, licenses and approvals for our business. Our inability to obtain, renew or maintain these licenses, permits and approvals required to operate our business may have an adverse effect on our business & operations.**

We require statutory and regulatory permits, licenses and approvals to operate our business. At present we have apply but yet to receive the registration under Shop and Commercial Establishments Law for our branch offices. For further details regarding pending approval please refer section "Government and Other Statutory approvals on page no. 178 of this Prospectus. Except as stated above, we believe that we have obtained all the requisite permits and licenses which are adequate to run our business. Further Some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. Also, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied by us. Any default by our Company in complying with the same, may result in interalia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

- 3. Our Company has several Contingent Liability and Commitments which if materialize could affect our financial position.**

As on September 30, 2017, we had Contingent Liability of Rs. 25.55 Lakhs for which no provision had been made. In the event that any of these contingent liabilities materialize, our results of operation and financial condition may be adversely affected. Details of Contingent Liabilities and commitments are as follows:-

<b>Particulars</b>	<b>Amount Disputed (Rupees in Lakhs)</b>
Disputed Income tax Liability	25.55
<b>TOTAL</b>	<b>25.55</b>

For further details on the same please refer "Annexure I" under section "Financial Information of the company" on page no. 165 and chapter titled "Outstanding Litigations and Material Developments" beginning on page no 174 of this Prospectus.

- 4. The Registered Office of our Company is not owned by us.**

We operate from our registered office situated at Shop No 132, Ambedkar Shopping Center Ring Road, Surat-395002. The registered office of our Company belongs to our Promoter i.e. Mr. Sanjeev Bhatia who has given the said premises on lease basis to our company for a period of 11 months w.e.f. October 1, 2017, on a monthly rent of ₹11,000 per month. Any discontinuance of such arrangement will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

**5. Our Company has entered into Franchisee Agreement, and majority of agreement are which are not renewed/inadequately executed, stamped, as a result of which operations may be adversely affected.**

Our Company has entered into 24 Franchisee, and as per the terms, franchisee agreement are required to be renewed at an regular interval of 3 years/5 years from the date of execution. Majority of franchisee agreements are not renewed/inadequately executed and still we are continuing our business with the franchisee parties on same terms and conditions. Our company has taken NOC from the respective franchisee parties w.r.t. validity terms which are further extended for a period of 3 years on same terms and conditions stated in the original agreement executed between our company and franchisee. Any discontinuance of such arrangement may adversely affect the our operations, finances and profitability of our Company.

**6. Our Company has taken offices on lease basis and some of the lease agreement are not renewed/not executed/inadequately executed, as a result of which operations may be adversely affected.**

Our Company has taken 72 offices on lease basis and as per the terms of lease agreement, lease agreement are required to be renewed at an regular interval of 11 months from the date of execution. Some of the lease agreement are not renewed and for which company has taken NOC from the lessor. Some of the agreement for which lease agreement are not renewed or not executed. Some of the lease agreement are not properly stamped/executed and still we are continuing our business from the respective premises. Any discontinuance of such arrangement and we are require to vacat the premises (branches) as a result our branches will be discontinue to operate and it may adversely affect the our operations, finances and profitability of our Company.

Further, the regulatory authorities may take action against us for not executing the documents properly and not paying the stamp duty as per the Gujarat Stamp Act, 1958.

**7. Our operations are significantly located in the Southern Gujarat region, especially in Surat, any failure to expand our operations may restrict our growth and adversely affect our business.**

Currently, we are carrying our business mainly in the Southern Gujarat region, especially in Surat and hence our major revenues are generated from operations in these regions only. In the event of political discord, instability or change in policies of state, natural calamities, riots in the region where our operations are significantly carried as a result our business activities will be affected or gets stops, then our financial conditions and operating results may be materially and adversely affected. Geographical and functional expansion of our business domain requires establishment of adequate network. As we seek to diversify our regional focus we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers. Our lack of exposure in geographical boundaries outside our operating regions could impact our future revenues.

**8. Our Loss making group companies in last three years**

Our following group companies have made losses during the last three years:

(₹. in Lakhs)

Name of the Group Company	Particulars	March 31, 2017	March 31, 2016	March 31, 2015
E Parisar Tech Private Limited	Profit/Loss After Tax	(64.28)	(0.90)	-
HSL Corporation LLP	Net Profit (In Rs.)	(8,150)	(42,329)	16,822
Modern Commodeal Private Limited	Profit/ (Loss) after Tax	0.01	(0.15)	0.08
SNV Distributors Private Limited	Profit/ (Loss) after Tax	269.31	(467.31)	(114.00)

**9. We have experienced negative cash flows in previous years. Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial conditions.**

Our cash flow from our operating, investing and financing activities have been negative in the past. Following are the details of our cash flow position during the last five financial years based on standalone restated financial statements are:-

(₹ in Lacs)

Particulars	For the Period	For the year ended
-------------	----------------	--------------------

	Ended					
	30.09.2017	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Net Cash Generated from Operating Activities	235.63	(0.12)	290.77	130.32	46.68	86.90
Net Cash from Investing Activities	(180.98)	(203.87)	(1.88)	(63.74)	(148.86)	(122.31)
Net Cash from Financing Activities	16.26	171.82	(186.71)	(65.63)	133.48	54.86

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

**10. The quality and consistency of after sales service cannot be guaranteed which could adversely affect the reputation of our products.**

Our Company provides after Sales service for its various products. However, quality and consistency of after sales service cannot be guaranteed. Any failure to provide or any deficiency in after sale services may tarnish our reputation and affect our business.

**11. We are heavily dependent on our Promoters and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.**

Our success heavily depends upon the continued services of our Key managerial personnel, along with support of our Promoters. We also depend significantly on our Key Managerial Persons for executing our day to day activities. The loss of any of our Promoter and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently.

If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section “**Our Management**” on page 101 of this Prospectus.

**12. Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge and better bargaining power if entered with nonrelated parties resulting into relatively more favourable terms and conditions and better margins.**

Our Company has entered into various transactions with our Directors, Promoter, Promoter Group and group Companies. These transactions, inter-alia includes purchase and sales of products, royalty payments, issue of shares, remuneration, rent payments, loans and advances, etc. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could not have obtained better and more favourable terms than from transaction with related parties. Additionally, our company belief that all our related party transactions have been conducted on an arm’s length basis, but we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse affect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations. For details of transactions, please refer to “**Annexure F Related Party Transactions**” on page no. 156 of the Auditors’ Report On Restated Financial Information.

**13. We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations.**

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt. As on September 30, 2017, our total outstanding secured indebtedness as per the financial statement was ₹369.95 Lakhs.

Our significant indebtedness results in substantial amount of debt service obligations which could lead to:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability.

If the loans are recalled on a short notice, we may be required to arrange for funds to fulfill the necessary requirements. The occurrence of these events may have an adverse effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see “**Indebtedness**” on page 72 in the section “**Business Overview**” of this Prospectus.

**14.Loans availed by our Company have been secured on personal guarantees of our Promoter and Promoter Group members. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected in case of invocation of any personal guarantees or securities of the collateral provided by our Promoter and Promoter Group members.**

Our Promoter and Promoter Group Members has provided personal guarantees and provided their personal properties as security to secure a significant portion of our existing borrowings taken from HDFC Bank Limited and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by our Promoter and Promoter Group Members may be invoked and/ or the security may also be enforced, which could negatively impact the reputation and networth of the Promoters. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoter and Promoter Group Members may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer “**Indebtedness**” on page no 72 of this Prospectus.

**15.Our Company has availed ₹66.95 lakhs as unsecured loan as on September 30, 2017 which are repayable on demand. Any demand from the lenders for repayment of such unsecured loan may affect our cash flow and financial condition.**

Our Company has, as per the restated standalone audited financial statement as on September 30, 2017, availed total sum of ₹ 66.95 lakhs as unsecured loan from promoter, promoter group, group companies/entities and relatives of Director/Promoter, on which our Company liable to pay Interest rate ranging between 9-15%, and which may be recalled at any time. Sudden recall may disrupt our operations and also may force us to opt for funding at unviable terms resulting in higher financial burden. Further, we will not be able to raise funds at short notice and thus result in shortage of working capital fund. For further details, please refer to the section —Restated Standalone Statement of Long Term Borrowing on page no. 140 of this Prospectus. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

**16.Some of E-forms in relation to satisfaction/modification of charge is not filed/not properly filed with the Registrar of Companies.**

Some of E-forms in relation to satisfaction/modification of charge is not filed/not properly filed with ROC. We cannot assure you that the non filings of such e-forms with ROC in timely manner, for which ROC may levy

penalties on this account. We cannot further assure you that we will not be penalized by the relevant supervisory and regulatory authorities in India for not filing or executing such documents.

**17. The average cost of acquisition of Equity shares by our Promoters is lower than the issue price.**

Our promoters average cost of acquisition of Equity shares in our Company is lower than the Issue Price of Equity shares. Average cost of acquisition of equity shares by our promoters is as follows:

Sr. No.	Name of the Promoters	No. of Equity Share held	Average price per Equity Share (₹)
1.	Mr. Sanjeev Bhatia	23,80,000	0.021
2.	Mr. Harbanslal Bhatia	23,80,000	0.021
3.	Mr. Nikhil Bhatia	36,427	30.45

For further details, please refer to section titled "Capital Structure" beginning on page no. 34 of this Prospectus.

**18. There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.**

As per SEBI (ICDR) Regulations, 2009, as amended, appointment of monitoring agency is required only for Issue size above ₹ 10,000.00 Lacs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

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

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be change subject to the approval of shareholders by passing special resolution pursuant to section 27 of Companies Act, 2013 through postal ballot or subject to an authority given by the Company in general meeting by way of special resolution and based on various factors which are beyond our control. For further details, please see the section titled "Objects of the Issue" beginning on page no. 49 of this Prospectus

**20. In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Managerial Personnel may be interested in our Company to the extent of interest received on loan given, 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 interest received on loan given, 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. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. 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 prospect.



**21. 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 favorable terms may have an adverse effect on our operations, profitability and growth prospects.**

The net working capital requirement as on as on March 31, 2017 is ₹ 312.97 Lakhs as against the ₹ 173.47 lakhs as on March 31, 2016. The Net working Capital for the period ended September 30, 2017 is ₹ 420.28 Lakhs and is estimated to be ₹ 1818.13 Lakh as on March 31, 2018. The net incremental working capital required as at March 31, 2018 is ₹ 1418.13 Lakhs into retail and whole sell distribution business of mobile handsets, tablets, data-cards, mobile accessories, mobile related products etc. We buy all such products in bulk quantity in order to complete get the handsome discount. We operate in a working capital intense industry therefore 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 favorable terms, at a future date, 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.

**22. There may be potential conflict of interests between our company and other venture or enterprises promoted by our promoters or directors.**

The main business object/activities of majority of our Group Companies permit them to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. We have not yet entered into any non-compete agreement with any of these group companies and they may compete with us in the future. In addition, some of our Directors are also directors on the boards of the aforesaid companies or other companies engaged in, or whose memorandum of association enables them to engage in, the same line of business as us. These overlapping directorships could create conflicts of interest between us and the Promoter.

Group companies or other entities. For further details, please refer to the chapters titled —Financial Information of Our Group Companies and Annexure F Related Party Transactions beginning on page nos. 115 and 156 respectively of this Prospectus.

**23. Certain data mentioned in this Prospectus has not been independently verified.**

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

**24. We are subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.**

Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lender, regarding, among other things such as major changes in share capital, changes in fixed assets, creation of any other charge, not to issue any personal guarantee by the guarantors etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows.

For further details on the Cash Credit Limits and other banking facilities, please see “**Indebtedness**” on page 72 of the Prospectus.

**25. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.**

Our company has obtained insurance coverage in respect of certain risks. Our insurance coverage consists of Standard fire and special perils, vehicle insurance, stock broker's indemnity policy and Office & Professional

Establishment Protector Policy. We believe that the insurance coverage maintained by us is adequate and consistent with the size of our business except for that our Company has not taken insurance for the risk cover for goods/machinery/equipment breakdown, fire insurance, cash in transit insurance and Fidelity Guarantee insurance for its branches. However, there is no assurance that the insurance policy taken by us will be adequate for us to cover the losses. If we suffer any uninsured loss or if claim made by us in respect of an insurance is not accepted or any loss occurred by us is in excess of the insurance coverage may adversely affect our operation, results and financials.

**26. We will not receive any proceeds from the shares sold under the Offer for sale by Selling Shareholder.**

This Issue includes an Offer for Sale of 2,50,000 Equity Shares by the Selling Shareholder and a Fresh Issue of 14,00,000 Equity shares. The entire proceeds from the Offer for Sale will be paid to the Selling Shareholder and our company will not receive any proceeds from such Offer for Sale. For further details, refer to the Section titled "**Objects of the Issue**" on page 49 of the Prospectus.

**27. We have not identified any alternate source of raising the funds required for the object of the Issue and the deployment of funds is entirely at our discretion and as per the details mentioned in the section titled "Objects of the Issue".**

Our Company has not identified any alternate source of funding for our object of the Issue and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may result in borrowing funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the company. Further the deployment of the funds raised in the issue will be entirely at the discretion of the management and any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings.

For further details of Please refer chapter titled "**Object for the Issue**" beginning on page 49 of this Prospectus.

**EXTERNAL RISKS**

**28.our business, prospects, financial condition and results of operations Any changes in the regulatory framework could adversely affect our operations and growth prospects**

Our Company is subject to various regulations and policies. For details see section titled "Key Industry Regulations and Policies" beginning on page 93 of this Prospectus. Our business 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 our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

**29.Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance**

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

**30.The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.**

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Lead Manager have appointed NNM Securities Private Limited as Designated Market Maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant

developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

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

The Issue Price of our Equity Shares is "Fixed Issue Price". This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page no. 54 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

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

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

**33. Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.**

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Terrorist attacks and other acts of violence may adversely affect the Indian stock markets, where our Equity Shares will trade, and the global equity markets generally.

**34. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.**

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for the adoption of, and convergence with, IFRS announced by the Ministry of Corporate Affairs, GOI (MCA), through a press note dated January 22, 2010. The MCA through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues including tax-related issues are resolved. The MCA is expected to announce the date of implementation of the converged accounting standards at a later date. Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear materially different under IFRS than under Indian GAAP. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding period in the comparative fiscal year/period. In addition, in our transition to

IFRS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems. Moreover, our transition may be hampered by increasing competition and increased costs for the relatively small number of IFRS-experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements.

**35. Economic developments and volatility in securities markets in other countries may cause the price of the Equity Shares to decline.**

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investor's reactions to developments in one country may have adverse effects on the market price of securities of companies situated in other countries, including India. For instance, the recent financial crisis in the United States and European countries led to a global financial and economic crisis that adversely affected the market prices in the securities markets around the world, including Indian securities markets. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. The Indian stock exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

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

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations.

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

The Government of India has from July 01, 2017 has implemented the Goods and Service Tax a comprehensive national goods and service tax (GST) regime that combines taxes and levies by the Central and State Governments into a unified rate structure. The GST imposed on our Services may affect our business, prospects, financial condition and results of operations.

**38. 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.

**39. our business, prospects, financial condition and results of operations Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares**

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and

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

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

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

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

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

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

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

**Prominent Notes to Risk Factors**

1. Public Offer of 16,50,000 Equity Shares of face value Of ₹10 Each ("Equity Shares") for cash at a Price of Rs. 150 Per Equity Share (Including a share premium of ₹140 Per Equity Share) aggregating to ₹ 2475.00 Lakhs consisting of a Fresh Issue of 14,00,000 Equity Shares of face Value Of ₹10 each for cash at a price of ₹150 per Equity Share aggregating to ₹ 2100.00 Lakhs and 2,50,000 Equity Shares of face value of ₹10 each for cash at a price of ₹150 Per Equity Share aggregating to ₹ 375.00 Lakhs through an Offer For Sale by Mr. Sanjeev Bhatia.
2. The Net Asset Value per Equity Share of our Company as per the Restated Standalone Financial Information as of September 30, 2017 and March 31, 2017 is ₹13.34 per share and Rs. 68.90 per Equity share respectively. The Company has made Bonus issue of 30,90,600 Equity Shares in ratio of 6:1 (Bonus of 6 Equity Shares for every 1 Equity Share held) on September 30, 2017 to the then existing shareholders. Subsequently, the Company has made Bonus issue of 12,14,400 Equity Shares in ratio of 1:3 (Bonus of 1 Equity Shares for every 3 Equity Shares held) on January 5, 2018. For further details, please refer to section titled "Auditor's Report and Financial Information of our Company" beginning on page 124 of this Prospectus.

The Net Worth of our Company as per the Restated Standalone Financial Information as of September 30, 2017 and March 31, 2017 is Rs.6793.90 Lakhs and Rs.6403.63 Lakhs respectively. For further details, please refer to the section titled "Auditor's Report and Financial Information of our Company" beginning on page 124 of this Prospectus.

3. The average cost of acquisition per Equity Share of our Promoters is set out below:

Sr. No.	Name of the Promoters	No. of Equity Share held	Average price per Equity Share (₹)
1.	Mr. Sanjeev Bhatia	23,80,000	0.021
2.	Mr. Harbanslal Bhatia	23,80,000	0.021
3.	Mr. Nikhil Bhatia	36,427	30.45

For further details, please refer to section titled "Capital Structure" beginning on page no. 34 of this Prospectus.

4. Our Group Company are similar to the business in which we are operating. For details of group companies, transaction with group companies and interest in our group company please refer the section titled "Financial Statements - Annexure F - Statement of Related Parties Transactions, as Restated on standalone basis" on page 156 and "Our Promoter and Promoter Group" and "Our Group Company" on page 111 and 115 respectively and to the extent of any Equity Shares held by them and to the extent of the benefits arising out of such shareholding.
5. There has been no change of name of our Company at any time during the last three (3) years immediately preceding the date of filing Prospectus.
6. There has been no financing arrangement whereby our Directors or any of their respective relatives have financed the purchase by any other person of securities of our Company during the six (6) months preceding the date of this Prospectus.
7. The details of transactions of our Company with related parties, nature of transactions and the cumulative value of transactions please refer to section titled "Auditor's Report and Financial Information of our Company on standalone basis - Annexure F Related Party Transactions" beginning on page no. 124 and 156 respectively of this Prospectus.
8. Except as stated under the section titled "Capital Structure" beginning on page no 34 of this Prospectus, our Company has not issued any Equity Shares for consideration other than cash.
9. Except as disclosed in the sections titled "Capital Structure", "Our Promoters and Promoter Group", "Financial Information of our Group Company" and "Our Management" beginning on page no. 34, 111, 115 and 101 respectively of this Prospectus, none of our Promoters, Directors or Key Managerial Personnel has any interest in our Company.
10. Investors are free to contact the Lead Manager i.e. Guinness Corporate Advisors Private 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.

## SECTION III - INTRODUCTION

### SUMMARY OF INDUSTRY OVERVIEW

#### GLOBAL SCENARIO

Global economic activity and trade picked up modestly from the later part of 2016. The firming up of commodity prices led to some uptick in inflation in major advanced economies (AEs). Recessionary conditions ebbed in key commodity exporting emerging market economies (EMEs), setting the stage for a turnaround in EMEs as a group.

Since the MPR of October 2016, global growth picked up modestly towards end-2016, and is projected to improve further in 2017 by multilateral agencies. Growth in EMEs moderated in 2016, but is set to improve with the ebbing of recessionary conditions in key commodity exporting countries. Even though world trade appeared to have emerged out of a trough, new risks have emerged from an increasing tendency towards protectionist policies and heightened political tensions. Commodity prices have risen since late 2016 on improvement in US economic indicators such as strong labour market and consumer spending; infrastructure spending in China; and geopolitical concerns. Crude oil prices firmed after the OPEC announced curtailment of production. Inflation edged up on expectations of reflationary fiscal policies in the US, rising energy prices and a mild strengthening of demand.

International financial markets were impacted by the US election results and expectations of monetary policy tightening by the Federal Reserve, underpinned by hawkish forward guidance. Financial markets in EMEs briefly turned volatile after the US election due to large capital outflows leading to plunges in currency and equity markets. Nevertheless, average volatility remained contained by historical standards since Q4:2016. Bond yields hardened across the globe in tandem with US yields, before softening somewhat since mid-March. Strengthening of the US economy further buoyed the equity markets, while the increasing likelihood of more rate hikes by the Federal Reserve in 2017 hardened bond yields in AEs. The US dollar appreciated to a multi-year high in December and remained bullish.

(Source: Monetary Policy Repot - April 2017\_  
<https://www.rbi.org.in/scripts/PublicationsView.aspx?id=17454#C18>)

The Table below shows the Real GDP Growth (q-o-q, saar)

<b>Table V.1: Real GDP Growth (q-o-q, saar)</b>							
							(Per cent)
<b>Country</b>	<b>Q4-2015</b>	<b>Q1-2016</b>	<b>Q2-2016</b>	<b>Q3-2016</b>	<b>Q4-2016</b>	<b>2017 (P)</b>	<b>2018 (P)</b>
<b>Advanced Economies (AEs)</b>							
US	0.9	0.8	1.4	3.5	2.1	2.3	2.5
Euro area	2.0	2.0	1.2	1.6	1.6	1.6	1.6
Japan	-1.0	1.9	2.2	1.2	1.2	0.8	0.5
UK	2.8	0.8	2.4	2.0	2.8	1.5	1.4
Canada	0.5	2.7	-1.2	3.8	2.6	1.9	2.0
Korea	2.8	2.0	3.6	2.0	2.0	3.0	3.1
<b>Emerging Market Economies (EMEs)</b>							
China	6.0	5.2	7.6	7.2	6.8	6.5	6.0
Brazil	-4.8	-2.4	-1.3	-2.9	-3.6	0.2	1.5
Russia*	-3.2	-0.4	-0.5	-0.4	0.3	1.1	1.2
South Africa	0.5	-1.5	3.1	0.4	-0.3	0.8	1.6
Thailand	2.5	4.3	4.2	1.7	1.7	3.3	3.1
Malaysia	4.8	4.0	2.8	5.6	5.6	4.6	4.7
Mexico	1.6	1.9	0.4	4.2	2.8	1.7	2.0
Saudi Arabia*	4.3	2.0	1.5	0.9	1.2	0.4	2.3
<b>Memo:</b>					<b>2016 (E)</b>	<b>2017 (P)</b>	<b>2018 (P)</b>
World Output					3.1	3.4	3.6
World Trade Volume					1.9	3.8	4.1

With commodity and oil prices rebounding, spare capacity getting absorbed and inflation expectations firming up, there has been some uptick in inflation in major AEs in the recent period. Given the persisting economic slack, however, inflation remained below targets in most AEs. In the US, inflation sequentially accelerated in November and December to reach a level that was the highest since September 2014. However, core personal consumption expenditure (PCE) inflation remained stable at around 1.8 per cent during January and February 2017. Furthermore, 1-year USD inflation swap rate, which is an indicator of inflation expectations, has been stable since March 2017.

Within the food group, there were upside price pressure points in sugar, cereals and other food items such as prepared meals. Slippage in production during 2015-16 and 2016-17 caused double-digit inflation in sugar prices during the year. Under cereals, inflation in respect of rice has eased during October 2016 - January 2017, while inflation in wheat continued to firm up. A number of price control measures have been undertaken by the government for containing the price rise in the case of sugar and edible oil, including imposition of stockholding limits, discouraging exports, and reduction in import duty on certain edible oils.

In a generally improving macroeconomic environment beginning in the second half of 2016, global financial markets were influenced by three events, viz., the US election, expectations and materialisation of the policy rate hike by the Federal Reserve, and uncertainty surrounding the Brexit roadmap.

Currency markets have been driven mainly by anticipation of policy initiatives by the new US administration and monetary policy stances in major AEs. The US dollar appreciated against most currencies beginning early November. It reached a 14-year high in December, before some reversal in Q1:2017 on uncertainty in realisation of Trump administration's policy initiatives and expectations of a slower pace of rate hikes by the Federal Reserve. The euro depreciated against the US dollar on political uncertainty. The pound was volatile against the US dollar – it gained during late November and early December on expectations of a favourable deal with the EU, but depreciated in January 2017 on resurfacing of uncertainty in the deal. The Japanese yen depreciated as yield spreads between Japan and the US/Euro area widened, before narrowing somewhat in Q1 of 2017.

### **Indian Telecommunication Market**

India is currently the world's second-largest telecommunications market with a subscriber base of 1.05 billion and has registered strong growth in the past decade and half. The Indian mobile economy is growing rapidly and will contribute substantially to India's Gross Domestic Product (GDP), according to report. The country is the fourth largest app economy in the world.

The liberal and reformist policies of the Government of India have been instrumental along with strong consumer demand in the rapid growth in the Indian telecom sector. The government has enabled easy market access to telecom equipment and a fair and proactive regulatory framework that has ensured availability of telecom services to consumer at affordable prices. The deregulation of Foreign Direct Investment (FDI) norms has made the sector one of the fastest growing and a top five employment opportunity generator in the country.

The Indian telecom sector is expected to generate four million direct and indirect jobs over the next five years according to estimates by Randstad India. The employment opportunities are expected to be created due to combination of government's efforts to increase penetration in rural areas and the rapid increase in smartphone sales and rising internet usage.



## SUMMARY OF BUSINESS OVERVIEW

Our Company was incorporated as "Bhatia Communications & Retail (India) Private Limited" under the provision of the Companies Act, 1956 vide certificate of incorporation dated March 25, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Bhatia Communications & Retail (India) Limited" and fresh certificate of incorporation dated January 17, 2018 was issued by the Assistant ROC, Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U32109GJ2008PLC053336.

We are engaged into retail and whole sell distribution business of mobile handsets, tablets, data-cards, mobile accessories, mobile related products etc. We sell smart mobile handsets of all the brands including Apple I-Phone, Samsung, OPPO, GIONEE, VIVO etc, mobile related products, tablets, data cards, accessories under one roof through our owned 72 retail outlets chain located all over the South Gujarat region including Surat, Vapi, Valsad, Navsari, Vyara etc. We also sell cellular mobile devices and accessories of all brand through our 24 franchisee retail chain dealers located in the South Gujarat region.

The existing business was started back in 2008 with a single shop by taking over the running business of partnership firm M/s. Bhatia Watch & Gift and at present under the Brand name of Bhatia Communication/Bhatia Mobile - "The Mobile One stop Shop" the same has expanded its space to more than 96 shops in South Gujarat including franchisees. In the past years we were importing the electronic products but at present we have discontinued the same.

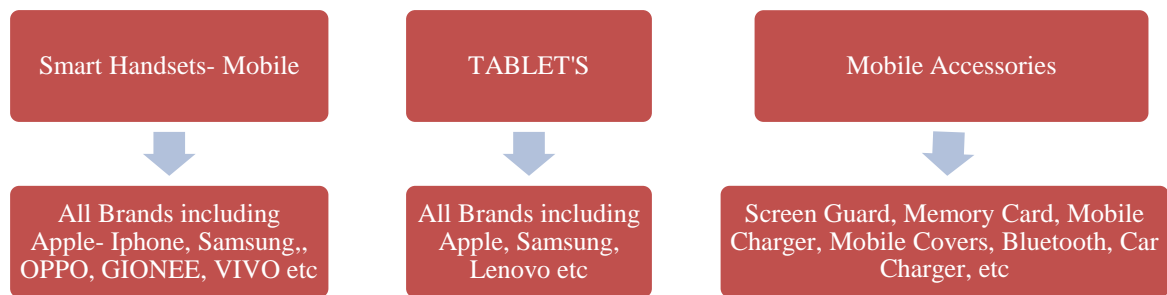
Our Company also provide credit/EMI facilities to its customers for buying our products for which our company has tied up with major leading credit houses like Bajaj Finserv, Capital First etc. Our Company in order to continue relationship with our valuable customers, we also provide after sale services related to mobile handsets and tablets in our own retail and franchisee outlets. Our Company also enjoys warranty on mobiles and tablets components from its suppliers company as back to back. Generally, in case of defect the company gets free replacement or servicing from suppliers company.

Guidance and foresight of our promoters, Shri Sanjeev Bhatia and Shri Harbanslal Bhatia are the driving force behind the growth achieved by the company. Knowledge and experience in the intricacies of the telecommunication markets of our promoters and whole time directors have allowed us to form a base of Trust and Integrity which has become our brand identity namely "Bhatia Communication/Bhatia Mobile- The Mobile One stop Shop". This, along with staying at the forefront of technological progresses has helped us increase our top line and bottom line year on year on year basis. These ideologies have evolved work culture that nourishes calculated risk-taking and operational excellence, resulting in a robust and hardworking team, which is the core strength of our Company. Our Company has shown robust growth during the last five Financial years and for the period ended September 30, 2017. The financial performance of the company for last five years and for the stub period as per restated statement is given below:

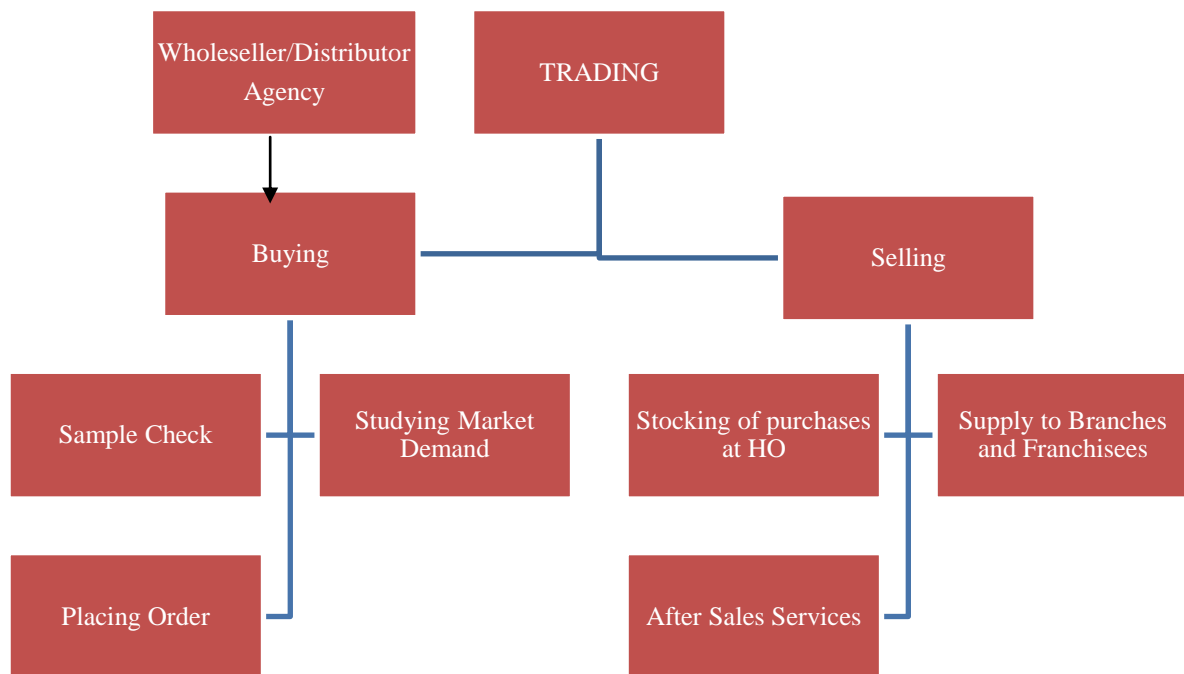
(₹. In Lakhs)

Particulars	September 30, 2017	2016-17	2015-16	2014-15	2013-14	2012-13
Income from Operations	7,451.55	12,433.11	8,961.46	10,387.92	9,928.48	7,080.79
Other Income	1,072.07	915.97	646.67	669.46	483.24	348.67
Total Income	8,523.61	13,349.08	9,608.13	11,057.38	10,411.72	7,429.46
Profit before Tax (PBT)	190.25	69.45	45.76	51.61	51.75	30.25
Profit after Tax (PAT)	131.07	47.77	30.93	34.21	35.07	20.01

### Our range of Products includes:



### OUR BUSINESS MODEL



The detailed process of the above carried by our company can be defined in the following manner:

- Before a mobile handset is handed to the customer, first of all a sample piece of a mobile is called for to check its functions, operations and quality. Whether the prices commensurate with its features and other functions is checked here.
- If the company finds that the sample checked mobile handset is feasible then it goes on to study the demand of that particular phone in the market so as to satisfy the consumers on time. Market study of various classes of society helps to determine the exact level ordering quantity.
- Our company purchases the phones either from distributors or directly from the manufacturers depending upon its policy with the suppliers. On the basis of the demand the order for the required quantity of mobile phones is placed with the supplier.
- On receiving the ordered consignment the stock is stored at the main office. Supplies to all the Branches and franchisee's shop are made from the head office. Similarly, goods are always returned to the main office wherein they are dealt with in the manner as deployed by the company.
- Services are at the centre of the existence of the company in the market. After sales services to customers for all the brands plays vital role in our industry. Efficient and timely provision of services differentiates our company from its competitors. Because after sales services is also a part of sales and that matter cannot be overlooked. Our company is a successful company is providing after sales services.

# SUMMARY OF FINANCIAL INFORMATION

Annexure -I

## Restated Balance Sheet

(` in Lacs)

Particulars	Note No.	As at 30.09.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013
<b>EQUITY &amp; LIABILITIES</b>							
<b>I Shareholders' Funds</b>							
Share Capital	1	364.32	55.26	55.26	55.26	55.26	4.76
Reserves and Surplus	2	121.64	299.63	251.86	220.93	190.45	205.88
<b>II Share Application Money</b>		-	-	-	-	-	-
<b>III Non Current Liabilities</b>							
Long Term Borrowings	3	100.68	149.23	146.94	41.64	98.24	157.20
Deferred Tax Liability		5.82	5.86	7.72	9.32	11.77	10.49
Other Long term Liabilities		-	-	-	-	-	-
Long term provisions	4	17.62	15.40	8.48	5.71	3.93	2.11
<b>IV Current Liabilities</b>							
Short term Borrowings	5	369.95	259.39	23.90	276.70	246.36	10.41
Trade Payables	6	1,862.08	1,670.99	1,267.50	1,191.52	1,049.47	557.78
Other current liabilities	7	18.88	21.51	6.39	13.63	27.27	100.65
Short Term Provisions	8	68.45	23.92	16.70	18.72	14.98	8.21
<b>Total</b>		<b>2,929.44</b>	<b>2,501.18</b>	<b>1,784.75</b>	<b>1,833.44</b>	<b>1,697.74</b>	<b>1,057.49</b>
<b>ASSETS</b>							
<b>I Non Current Assets</b>							
Fixed Assets	9						
- Tangible Assets		530.75	442.78	291.70	236.44	213.08	188.25
- Intangible assets		29.00	29.00	29.00	29.00	29.00	29.00
- Capital WIP		-	-	-	-	-	-
- Intangible Assets under development		-	-	-	-	-	-
Non current Investments		-	-	-	-	-	-
Deferred tax assets (net)		-	-	-	-	-	-
Long term Loans and Advances		-	-	-	-	-	-
Other Non-Current Assets		-	-	-	-	-	-
<b>II Current Assets</b>							
Current Investments		-	-	-	-	-	-
Inventories	10	1,292.62	1,273.44	894.29	958.59	839.09	388.11
Trade Receivables	11	697.73	504.25	287.12	335.83	343.22	313.89
Cash and Cash Equivalents	12	229.09	158.18	190.35	88.17	87.23	55.93
Short term Loans and Advances	13	150.25	93.52	92.29	185.41	186.11	82.30
Other Current assets		-	-	-	-	-	-
<b>Total</b>		<b>2,929.44</b>	<b>2,501.18</b>	<b>1,784.75</b>	<b>1,833.44</b>	<b>1,697.74</b>	<b>1,057.49</b>

## Annexure II

## RESTATED PROFIT AND LOSS ACCOUNT

(₹ in Lacs)

Particulars	Note No.	As at 30.09.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013
I Revenue From Operations (Net)		7,451.55	12,433.11	8,961.46	10,387.92	9,928.48	7,080.79
II Other income	14	1,072.07	915.97	646.67	669.46	483.24	348.67
III TOTAL REVENUE		8,523.61	13,349.08	9,608.13	11,057.38	10,411.72	7,429.46
IV Expenditures		-	-	-	-	-	-
Cost of Materials Consumed		-	-	-	-	-	-
Purchase of Stock In trade		7,839.80	12,586.32	8,746.23	10,349.53	10,241.67	7,130.71
Changes in inventory of finished goods, work-in-progress and Stock-in-Trade	15	(19.18)	(379.15)	64.30	(119.50)	(450.98)	(136.62)
Employee benefit expenses	6	178.02	264.10	218.85	238.15	184.55	153.98
Financial costs	17	45.75	65.96	39.20	39.19	43.51	39.48
Depreciation & Amortization	9	36.29	51.55	39.75	37.54	20.22	16.39
Other Expenses	18	252.69	690.86	454.04	460.86	321.01	191.01
V TOTAL EXPENSES		8,333.37	13,279.63	9,562.38	11,005.77	10,359.97	7,394.96
VI Profit before Exceptional & Extraordinary items & tax		190.25	69.45	45.76	51.61	51.75	34.51
Add:Exceptional / Extraordinary Items		-	-	-	-	-	-
VII Profit before extraordinary items and tax		190.25	69.45	45.76	51.61	51.75	34.51
Add/(less) Extraordinary items		-	-	-	-	-	(4.26)
Loss on sale of Car		-	-	-	-	-	-
VIII Profit Before Tax		190.25	69.45	45.76	51.61	51.75	30.25
Tax expense		-	-	-	-	-	-
Current Tax		58.72	23.55	16.58	18.45	14.96	8.19
Dividend Distribution Tax		-	-	-	0.04	-	-
Deferred Tax		(0.03)	(1.86)	(1.61)	(2.45)	1.29	2.55
Earlier Year Taxes		0.48	-	(0.15)	1.37	(0.43)	0.49
Less: MAT credit entitlement		-	-	-	-	-	-
IX Profit /(Loss) from Continuing Operations		131.07	47.77	30.93	34.21	35.07	20.01
X Profit /(Loss) from Discontinuing Operations		-	-	-	-	-	-
Less: Tax Expenses of Discontinuing Operations		-	-	-	-	-	-
XI Profit /(Loss) from Discontinuing Operations after Tax		-	-	-	-	-	-
XII Profit / (Loss) for the year		-	-	-	-	-	-
XIII Earning per Equity Share							
Basic		3.63	9.27	6.00	6.64	6.81	198.10
Diluted		3.63	8.64	5.60	6.19	6.35	42.03

**Restated Cash Flow Statement**
**Annexure - III  
(` in Lacs)**

Particulars		As at 30.09.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
	Net Profit Before Tax and Extraordinary Items	190.25	69.45	45.76	51.61	51.75	30.25
	Adjustments for:		-	-	-	-	-
	Depreciation & DTA/ DTL	36.26	49.69	38.14	35.09	21.50	18.94
	Loss on Sale of Assets	-	-	-	-	-	4.26
	Amortization Expenses	-	-	-	-	-	0.09
	Financial Costs	45.75	65.96	39.20	39.19	43.51	39.48
	Operating Profit before Working Capital Changes	272.25	185.10	123.10	125.89	116.76	93.02
	Adjustments for Working Capital Changes:	-	-	-	-	-	-
	Decrease/(Increase) in Inventories	(19.18)	(379.15)	64.30	(119.50)	(450.98)	(136.62)
	Decrease/(Increase) in Sundry Debtors	(193.48)	(217.13)	48.71	7.39	(29.33)	(106.94)
	Increase/(Decrease) in Current Liabilities & Provisions	235.22	432.75	69.49	133.93	426.89	247.68
	Cash generated from Operations	294.81	21.56	305.60	147.72	63.35	97.14
	Income Tax Paid	(59.18)	(21.68)	(14.83)	(17.40)	(16.67)	(10.24)
	<b>Net Cash Flow from Operating Activities (A)</b>	<b>235.63</b>	<b>(0.12)</b>	<b>290.77</b>	<b>130.32</b>	<b>46.68</b>	<b>86.90</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	-	-	-	-	-	-
	Purchase of Fixed Assets	(124.25)	(204.93)	(95.01)	(64.44)	(45.05)	(105.55)
	Sale of Fixed Asset	-	2.30	-	-	-	25.21
	Short Term Loans & Advances	(56.73)	(1.23)	93.13	0.70	(103.81)	(41.97)
	<b>Net Cash Flow from Investing Activities (B)</b>	<b>(180.98)</b>	<b>(203.87)</b>	<b>(1.88)</b>	<b>(63.74)</b>	<b>(148.86)</b>	<b>(122.31)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	-	-	-	-	-	-
	Finance Costs	(45.75)	(65.96)	(39.20)	(39.19)	(43.51)	(39.48)
	Increase in Share Capital	-	-	-	-	-	3.75
	Increase in Reserves & Surplus	-	-	-	(0.19)	-	146.25
	Proceeds from/(Repayment of) Secured Loan	105.39	269.96	(251.39)	24.74	213.49	(58.77)
	Proceeds from/(Repayment of) Unsecured Loan	(43.38)	(32.18)	103.89	(50.99)	(36.50)	3.12
	<b>Net Cash Flow from Financing Activities (C)</b>	<b>16.26</b>	<b>171.82</b>	<b>(186.71)</b>	<b>(65.63)</b>	<b>133.48</b>	<b>54.86</b>
	<b>Net Changes in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>70.91</b>	<b>(32.17)</b>	<b>102.18</b>	<b>0.95</b>	<b>31.29</b>	<b>19.45</b>
	<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>158.18</b>	<b>190.35</b>	<b>88.17</b>	<b>87.23</b>	<b>55.93</b>	<b>36.48</b>
	<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>229.09</b>	<b>158.18</b>	<b>190.35</b>	<b>88.17</b>	<b>87.23</b>	<b>55.93</b>

## THE ISSUE

Present Issue in terms of the Prospectus:

Issue Details	
Equity Shares offered	16,50,000 Equity Shares of ₹ 10 each at an Issue Price of ₹ 150 each aggregating to ₹ 2475.00 Lacs
of which:	
Fresh Issue <sup>(1)</sup>	14,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 150 per share aggregating to ₹ 2100.00 Lacs.
Offer For sale <sup>(2)</sup>	2,50,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 150 per share aggregating to ₹ 375.00 Lacs
of which:	
Reserved for Market Makers	84,000 Equity Shares of ₹ 10 each at an Issue Price of ₹ 150 each aggregating to ₹ 126.00 Lacs
Net Issue to the Public*	15,66,000 Equity Shares of ₹ 10 each at an Issue Price of ₹ 150 each aggregating to ₹ 2349.00 Lacs
of which	
Retail Portion	7,83,000 Equity Shares of ₹ 10 each at an Issue Price of ₹ 150 each aggregating to ₹ 1174.50 Lacs
Non Retail Portion	7,83,000 Equity Shares of ₹ 10 each at an Issue Price of ₹ 150 each aggregating to ₹ 1174.50 Lacs
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Issue	48,57,600 Equity Shares of ₹ 10 each
Equity Shares outstanding after the Issue	62,75,600 Equity Shares of ₹ 10 each
Use of Proceeds	For further details please refer chapter titled “Objects of the Issue” beginning on page no 49 of the Prospectus for information on use of Issue Proceeds.

### Notes

<sup>(1)</sup> Fresh Issue and Offer for sale of 16,50,000 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors dated January 05, 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 January 05, 2018.

<sup>(2)</sup> The offer for sale by Selling Shareholders for 2,50,000 equity shares authorized by his respective Authorization letter dated January 01, 2018, and approved by Board of Directors of the Company on January 05, 2018.

a) The Selling Shareholders severally and not jointly, specifically confirms that their portion of the Offered shares by each of them by way of the offer, are eligible in accordance with the ICDR Regulations.

b) 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 Structure” beginning on page 203 of the Prospectus.

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

## GENERAL INFORMATION

Our Company was incorporated as "Bhatia Communications & Retail (India) Private Limited" under the provision of the Companies Act, 1956 vide certificate of incorporation dated March 25, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Bhatia Communications & Retail (India) Limited" and fresh certificate of incorporation dated January 17, 2018 was issued by the Assistant ROC, Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U32109GJ2008PLC053336.

For further details in relation to the corporate history of our Company, see the section titled "History and Certain Corporate Matters" on page no. 98.

### BRIEF COMPANY AND ISSUE INFORMATION

Company Name	Bhatia Communications & Retail (India) Limited
Registered Office	132, Dr. Ambedkar Shopping Centre, Ring Road, Surat, Guajrat -395 002. <b>Tel:</b> 0261-2349892 <b>Email:</b> info@bhatiamobile.com <b>Website:</b> www.bhatiamobile.com <b>Contact Person:</b> Ms. Avani Chaudhari
Date of Incorporation	March 25, 2008
Company Identification No.	U32109GJ2008PLC053336
Company Category	Company limited By Shares
Registrar of Company	Gujarat Dadra Nagar & Haveli
Address of the RoC	ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop , Naranpura, Ahmedabad-380013, Phone: 079-27437597 Fax: 079-27438371 E Mail :roc.ahmedabad@mca.gov.in
Designated Stock Exchange	BSE Limited. SME Platform
Issue Programme	Issue Opens On : February 8, 2018 (Thursday) Issue Closes On : February 12, 2018 (Monday)

Company Secretary and Compliance Officer	Ms. Avani Chaudhari 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat, Guajrat -395 002. <b>Tel:</b> 0261-2349892 <b>Email:</b> csbhatia@bhatiamobile.com <b>Website:</b> www.bhatiamobile.com
--	--

Note: Investors can contact the Compliance Officer in case of any pre issue or post issue related problems such as non-receipt of letter of allotment or credit of securities in depositories beneficiary account or dispatch of refund order etc.

### BOARD OF DIRECTORS OF OUR COMPANY

Our Board Of Directors Consist of:

Name	Designation	DIN No.
Mr. Sanjeev Bhatia	Managing Director	02063671
Mr. Nikhil Bhatia	Whole Time Director	02063706
Mr. Harbanslal Bhatia	Whole Time Director	02063751
Mr. Arpit Jain	Independent Director	08044841
Mr. Rachit Narang	Independent Director	08044845
Ms. Rashmi Arora	Independent Director	07584412

For further details pertaining to the education qualification and experience of our Directors, please refer page no. 101 of this Prospectus under the chapter titled "Our Management".

### DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY



Lead Manager to the Issue	Registrar to the Issue
<b>Guinness Corporate Advisors Private Limited</b> 18 Deshapriya Park Road, Kolkata - 700 026, West Bengal, India. <b>Tel:</b> +91 - 33 - 3001 5555 <b>Fax:</b> +91 - 33 - 3001 5531 <b>Email:</b> gcapl@guinnessgroup.net Investor Grievance Email: gcapl.mbd@guinnessgroup.net <b>Website:</b> www.guinnessonline.net <b>Contact Person:</b> Ms. Devendra Shah/Ms. Alka Mishra <b>SEBI Registration No.:</b> INM 000011930	<b>Purva Sharegistry (India) Private Limited</b> Unit no. 9, Shiv Shakti Ind. Est. J.R. Boricha Marg, Lower Parel, (E), Mumbai – 400011 Tel No: +91-022-23016761/8261 Fax No: +91-022-2301 2517 SEBI Registration No: INR000001112 Email Id: busicomp@vsnl.com /busicomp@gmail.com Website: www.purvashare.com Contact Person: Mr. Manish Shah / Ms. Purva Shah

Auditor of the Company	Peer Review Auditor of the Company
<b>R. Kejriwal &amp; Co.</b> Chartered Accountants Aastha, 2/906, Hira Modi Sheri, Opp Gujarat Samachar Press, Ring Road, Surat – 395002. Tel No.: +91-0261-2355984 Email id: <a href="mailto:auditkejriwal@gmail.com">auditkejriwal@gmail.com</a> Contact Person: Mr. Vishal Joshi <b>Firm Registration No.:</b> 133558W <b>Membership No.:</b> 427019	<b>R. Kejriwal &amp; Co.</b> Chartered Accountants Aastha, 2/906, Hira Modi Sheri, Opp Gujarat Samachar Press, Ring Road, Surat – 395002. Tel No.: +91-0261-2355984 Email id: <a href="mailto:auditkejriwal@gmail.com">auditkejriwal@gmail.com</a> Contact Person: Mr. Vishal Joshi <b>Firm Registration No.:</b> 133558W <b>Membership No.:</b> 427019

Bankers to the Company	Bankers to the Company
<b>Rajkot Nagrik Sahakari Bank Ltd.</b> Besides Super Tax Tower, Nr. Somolai Hanuman Temple, Ring Road Branch, Ring Road, Surat - 395 002. Tel No.: 0261- 2354303, 2360112 Fax.: N.A. Email Id: surat_bm@rnsbindia.com Contact Person : Dhamesh K. More Designation: Deputy Chief Manager	<b>HDFC Bank Ltd</b> Ground Floor, UTC Building, B/h Apple Hospital, Udhna- Darwaja, Surat-395 002. Tel No.: 0261-2332077 Fax.: 0261-2332077 Email: vishalb.sharma@hdfcbank.com Contact Person: Vishal B. Sharma Designation: Manager

Legal Advisor to the Issue	Bankers to the Issue and Refund Banker
<b>Sanjay Harish Chawla</b> M-21, First Floor, Mahavir Market, Road No. 0, Near. Udhna Railway Station, Udhna, Surat. Tel: 0261-2282218 Mobile: +91-9879000370 Email: Sanjaychawla21@gmail.com Contact Person: Sanjay Chawla Bar Council No. G/2623/2006	<b>KOTAK MAHINDRA BANK LIMITED</b> <b>KOTAK Infiniti, 6th Floor Building No. 21, Infinity Park off, Western Express Highway, General A K Vaidya Marg, Malad East, Mumbai- 400097</b> <b>Ph No.:</b> +91-2266056588 <b>Fax No:</b> +91-2267132416 <b>Email id:</b> cmsipo@kotak.com <b>Website:</b> www.Kotak.com <b>Contact Person:</b> Prashant Sawant <b>Sebi Registration No.:</b> INBI00000927

#### **SELF CERTIFIED SYNDICATE BANKS**

The SCSBs as per updated list available on SEBI's website [http://www.sebi.gov.in/cms/sebi\\_data/attachdocs/1365051213899.html](http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html). Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

#### **STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES**



Since Guinness Corporate Advisors Private Limited is the lead Manager to the issue, all the responsibility of the issue will be managed by them.

#### **CREDIT RATING**

As this is an issue of Equity Shares there is no credit rating for this Issue.

#### **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.

#### **TRUSTEE**

As this is an issue of Equity Shares, the appointment of Trustees is not required.

#### **BROKERS TO THE ISSUE**

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

#### **APPRAISAL AND MONITORING AGENCY**

In terms of sub regulation (1) Regulation 16 of SEBI ICDR Regulations, Our Company is not required to appoint a monitoring agency in relation to the issue. However, Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

The object of the issue and deployment of funds are not appraised by any independent agency/bank/financial institution.

#### **UNDERWRITING AGREEMENT**

This Issue is 100% Underwritten. The Underwriting agreement is dated January 19, 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:

<b>Details of the Underwriter</b>	<b>No. of shares underwritten</b>	<b>Amount Underwritten ( in Lacs)</b>	<b>% of the Total Issue Size Underwritten</b>
<b>Guinness Corporate Advisors Private Limited</b> 18 Deshapriya Park Road, Kolkata - 700 026, West Bengal, India.	15,66,000	2349.00	94.91
<b>NNM Securities Pvt. Ltd</b> B 6/7, Shri Siddhivinayak Plaza, 2nd Floor, Plot No. B-31, Oshiwara, Opp. CitiMall, Behind Maruti Showroom, Andheri Linking Road, Andheri (West), Mumbai 400053	84,000	126.00	5.09
<b>Total</b>	<b>16,50,000</b>	<b>2475.00</b>	<b>100.00</b>

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 THIS ISSUE**

Our Company and the Lead Manager have entered into a tripartite agreement dated January 19, 2018 with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

NNM Securities Pvt. Ltd.  
B 6/7, Shri Siddhivinayak Plaza, 2nd Floor, Plot No. B-31,  
Oshiwara, Opp. CitiMall,  
Behind Maruti Showroom,  
Andheri Linking Road, Andheri (West),  
Mumbai 400053  
Tel: 022-40790011, 40790036 Fax: 022-40790033  
Email: support@nnmsecurities.com  
Website: www.nnmsecurities.com  
Contact Person: Mr. Nikunj Anilkumar Mittal  
SEBI Reg No.: INB231044638/INF231044638/INE231044638

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE 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 ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
- 5) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 6) 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.
- 7) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 8) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 9) The Market Maker(s) shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Merchant Banker, 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 does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

- 10) Risk containment measures and monitoring for Market Makers: BSE SME Segment will have all margins which are applicable on the 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.
- 11) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

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

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

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

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

## CAPITAL STRUCTURE

Our Equity Share Capital before the issue and after giving effect to the issue, as on the date of filing of this Prospectus, is set forth below:

(₹ In lacs, except shares data)

Sr. No.	Particulars	Aggregate Value at Face Value (₹)	Aggregate Value at issue Price (₹) in lacs
<b>A.</b>	<b>AUTHORISED EQUITY CAPITAL</b>		
	70,00,000 Equity Shares of ₹10 each	700.00	
<b>B.</b>	<b>ISSUED, SUBSCRIBED &amp; PAID - UP CAPITAL BEFORE THE ISSUE</b>		
	48,57,600 fully paid Equity Shares of ₹10 each	485.76	
<b>C.</b>	<b>PRESENT ISSUE IN TERMS OF THIS PROSPECTUS</b>		
	16,50,000 Equity Shares of ₹10 each at a premium of ₹140 per share	165.00	2475.00
	<b>Which Comprises</b>		
	(a) Fresh issue of 14,00,000 Equity Shares of ₹10 each at a premium of ₹140 per share#	140.00	2100.00
	(b) offer for sale of 2,50,000 Equity Shares of ₹10 each at a premium of ₹140 per share@	25.00	375.00
(I)	Reservation for Market Maker 84,000 Equity Shares of ₹10 each at a premium of ₹140 will be available for allocation to Market Maker	8.40	126.00
(II)	Net Issue to the Public 15,66,000 Equity Shares of ₹10 each at a premium of ₹140 per share	156.60	2349.00
	<b>Of Which</b>		
(I)	7,83,000 Equity Shares of ₹10 each at a premium of ₹140 per share shall be available for allocation for Investors applying for a value of upto ₹2 lacs	78.30	1174.50
(II)	7,83,000 Equity Shares of ₹10 each at a premium of ₹140 per share shall be available for allocation for Investors applying for a value of above ₹2 lacs	78.30	1174.50
<b>D.</b>	<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE PRESENT ISSUE</b>		
	62,57,600 Equity Shares of ₹10 each	625.76	
<b>E.</b>	<b>SHARE PREMIUM ACCOUNT</b>		
	Share Premium account before the Issue		-
	Share Premium account after the Issue		1960.00

**Note:**

- # The present Public Issue of 16,50,000 Equity Shares which includes a Fresh Issue of 14,00,000 Equity shares which have been authorized by the Board of Directors of our Company at its meeting held on January 5, 2018 and was approved by the Shareholder of the Company by Special Resolution at the Extra Ordinary General Meeting held on January 5, 2018 as per the provisions of Section 62(1)(c) of the Companies Act, 2013 and an offer for sale by the Selling Shareholder of 2,50,000 equity shares which have been approved by the Board of Directors of our Company at their meeting held on January 5, 2018 as per the provisions of Section 28 of the Companies Act, 2013.

- @The selling shareholder have given their consent's to participate in the offer in the following manners.

Selling Shareholder	Number of Equity Share Pre Offer for Sale	Number of Equity Shares offered in the offer for sale	Total number of Equity Shares held Post Offer	% of the post issue holding by selling shareholders	Date of Authority letter
<b>Promoter Selling Shareholder</b>					
Mr. Sanjeev Bhatia	23,80,000	2,50,000	21,30,000	34.04%	January 1,2018

The Selling Shareholder has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and that he has not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Promoter Selling Shareholder has also confirmed that he has the legal and beneficial ownership of the Equity Shares being offered by him under the Offer for Sale.

#### Class of Shares

The company has only one class of shares i.e. Equity shares of ₹10 each only.

Our Company has no outstanding convertible instruments as on the date of this Prospectus.

#### Changes in Authorized Share Capital:

Sr. No.	Particulars of Increase	Cumulative no. of equity shares	Cumulative Authorised Share Capital (₹ in Lacs)	Date of Meeting	Whether AGM/EGM
1.	Subscribers to the Memorandum of Association	1,00,000	10.00	-	-
2.	Increase from Rs.10.00 Lacs to Rs.60.00 Lacs*1	6,00,000	60.00	March 15, 2013	EGM
3.	Increase from Rs.60.00 Lacs to Rs.700.00 Lacs*2	70,00,000	700.00	September 30, 2017	AGM

\*1. Includes the 4,50,000 equity shares of Rs. 10 each and 50,000 preference shares of Rs. 10 each.

\*2. Preference shares Capital of Rs.5,00,000 divided in to 50,000 Preference Shares of Rs. 10 each have been converted and merged with the Equity Share Capital

#### Notes to the Capital Structure:

##### 1. Share Capital History:

Our existing equity Share Capital has been subscribed and allotted as under:

Date	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Consideration	Nature of Allotment	Cumulative Number of Equity Shares	Cumulative paid up share capital (In ₹)
March 25, 2008	10,000	10	10	Cash	Subscribers to the Memorandum	10,000	1,00,000
April 1,2008	100	10	10	Cash	Further Allotment	10,100	1,01,000
November 20, 2013	5,05,000	10	-	NA	Other than cash	5,15,100	51,51,000
September 30, 2017	30,90,600	10	-	NA	Other than cash	36,05,700	3,60,57,000

September 30, 2017	37,500	10	-	Cash*	Conversion of Preference Shares	36,43,200	3,64,32,000
January 5, 2018	12,14,400	10	-	NA	Other than Cash	48,57,600	4,85,76,000

\*Issued 37,500 Equity Shares against the Conversion of 37,500 5% Non-Cumulative fully convertible preference shares of Rs. 10 each issued on March 29, 2013 at a price of Rs.400 per shares

**Our existing Preference Share Capital has been subscribed and allotted as under:**

Date	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Consideration	Nature of Allotment	Cumulative Number of Equity Shares	Cumulative paid up Preference share capital (In ₹)
March 29, 2013	37,500	10	400	Cash	Allotment of 5% non Cumulative Fully Convertible Preference Shares	37,500	3,75,000
September 30, 2017	-37,500	10	N.A.	Equity Shares	Converted in to Equity Shares in the ration 1:1	-	-

## 2. SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH (BONUS SHARES) BY CAPITALIZATION OF SHARE PREMIUM ACCOUNT AND BALANCE OF PROFIT & LOSS ACCOUNT.

Details of Equity Shares issued for consideration other than cash (Bonus Share) by capitalization of Share Premium Account and Balance of Profit & Loss Account as follow.

Date of allotment of Bonus Shares	Ratio of Bonus issue	Number of Equity shares issued as Bonus Shares	Face value of the shares (Rs.)	Amount of general Reserve Capitalized
November 20, 2013	50:1	5,05,000	10	50,50,000
September 30, 2017	6:1	30,90,600	10	3,09,06,000
January 5, 2018	1:3	12,14,400	10	1,21,44,000

## 3. Share Capital Build-up of our Promoter & Lock-in

Our Promoter had been allotted Equity Shares from time to time. The following is the Equity share capital build-up of our Promoter.

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consi derati on	No. of Equity Shares	Cumulati ve No. of Equity Shares	Face Value (₹)	Issue /Tra nsfer price	% of total Issued Capital	
							Pre-Issue	Post-Issue*1
Mr. Sanjeev Bhatia								
March 28, 2008	Subscriber Memorandum to	10	5,000	5,000	10	10	0.10	0.08
November 20, 2013	Bonus Shares	-	2,50,000	2,55,000	10	-	5.15	3.99
September 30, 2017	Bonus Shares	-	15,30,000	17,85,000	10	-	31.50	24.45
January 5, 2018	Bonus Shares	-	5,95,000	23,80,000	10	-	12.25	9.52

	<b>Total (A)</b>			<b>23,80,000</b>			<b>49.00</b>	<b>38.04</b>
<b>(ii) Mr. Nikhil Bhatia</b>								
April 1, 2008	Further Allotment	10	10	10	10	10	-	-
November 20, 2013	Bonus Shares	-	500	510	10	-	0.01	0.01
September 30, 2017	Bonus Shares	-	3060	3570	10	-	0.06	0.05
March 30, 2017	Acquisition of 5% non Cumulative Fully Convertible Preference Shares*2	46.70	23,750	23,750	10	46.70	-	-
September 30, 2017	Conversion of 5% non Cumulative Fully Convertible Preference Shares	-	23,750	27320	10	-	0.49	0.38
January 5, 2018	Bonus Shares	-	9107	36427	10	-	0.19	0.15
	<b>Total (B)</b>			<b>36427</b>			<b>0.75</b>	<b>0.59</b>
<b>Mr. Harbanslal Bhatia</b>								
March 28, 2008	Subscriber to Memorandum	10	5,000	5000	10	10	0.10	0.08
November 20, 2013	Bonus Shares	-	2,50,000	2,55,000	10	-	5.15	3.99
September 30, 2017	Bonus Shares	-	15,30,000	17,85,000	10	-	31.50	24.45
January 5, 2018	Bonus Shares	-	5,95,000	23,80,000	10	-	12.25	9.51
	<b>Total (A)</b>			<b>23,80,000</b>			<b>49.00</b>	<b>38.03</b>

\*1 The % of holding of the promoters after the post issue paid up share capital is calculated without considering the shares offer by the promoter in offer for sale.

\*2. 12500, 6250 and 5000 Preference Shares acquired from M/s. Ajitnath Trexim Pvt. Ltd., M/s. Neminath Vyapaar Pvt. Ltd. and M/s. Padmaprabhu Distributors Pvt. Ltd.

### 3(a). Lock In of Promoters

As per clause (a) sub-regulation (1) Regulation 32 of the SEBI ICDR Regulations an aggregate of 20.00 % of the post-Issue Equity Share Capital of our Company i.e. 12,60,000 equity shares shall be locked in by our Promoters for three years. The details are given here below:

<b>Name of Promoter</b>	<b>No of Shares</b>	<b>Lock in/OFS</b>	<b>% of Post Issue paid up capital</b>
<b>Mr. Sanjeev Bhatia</b>	2,50,000	Offer for Sale	3.99
	12,60,000	3 years	20.14
	8,70,000	1 year	13.90
<b>Total</b>	<b>23,80,000</b>		<b>38.03</b>
<b>Mr. Nikhil Bhatia</b>	-	Offer for sale	-
	-	3 years	-
	<b>36,427</b>	1 year	0.59
<b>Total</b>	<b>36,427</b>		<b>0.59</b>
<b>Mr. Harbanslal Bhatia</b>	-	Offer for Sale	-
	-	3 years	-
	<b>23,80,000</b>	1 year	<b>38.03</b>
<b>Total</b>			

The lock-in shall commence from the date of allotment in the proposed public issue and the last date of lock-in shall be reckoned as three years from the date of commencement of commercial production or the date of allotment in the public issue whichever is later. (“**Minimum Promoters’ contribution**”).

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. Our Company has obtained written consents from our Promoters for the lock-in of 12,60,000 Equity Shares.

We confirm that the minimum Promoters' contribution of 20.00 % as per Regulation 33 of the SEBI ICDR Regulations which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction.;
- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- Equity Shares acquired by Promoter during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue; or equity shares pledged with any creditor.
- Further, our Company has not been formed by the conversion of a partnership firm into a company and no Equity Shares have been allotted pursuant to any scheme approved under Section 232-234 of the Companies Act, 2013.

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

Except the (a) Promoters' Contribution consisting of 12,60,000 Equity Shares which shall be locked in for three years, and (b) Equity shares consisting of 2,50,000 Equity Shares which are sold or transferred as part of the offer for sale by the selling shareholder, the entire pre-offer 33,47,600 equity share capital of our Company (including those Equity Shares held by our Promoters in excess of Promoters' Contribution), shall be locked in for a period of one year from the date of Allotment in the public issue.

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

In terms of Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters' prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.

In terms of Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 36 of the SEBI (ICDR) Regulations, 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 SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.

In terms of Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoter can be pledged only 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 sub-regulation (a) of Regulation 36 of the SEBI ICDR Regulations, 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 sub-regulation (b) of Regulation 36 of the SEBI ICDR Regulations and the pledge of specified securities is one of the terms of sanction of the loan.

6. Our Company has not revalued its assets since incorporation and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
7. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for



our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI Share Based Employee Benefits Regulations, 2014.

8. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
9. Our Company has not issued any Equity Shares during a period of one year preceding the date of the Prospectus at a price lower than the Issue price. However, our company has issued Bonus Shares during a period of one year preceding the date of the Prospectus.

Date of allotment of Bonus Shares	Ratio of Bonus issue	Number of Equity shares issued as Bonus Shares	Face value of the shares (Rs.)	Amount of general Reserve Capitalized
September 30, 2017	6:1	30,90,600	10	3,09,06,000
January 5, 2018	1:3	12,14,400	10	1,21,44,000

#### 10. Our shareholding pattern

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of the Prospectus:

**i. Summary of Shareholding Pattern:**

Category (I)	Category of shareholder (II)	Nos of shareholders (III)	No of fully paid-up equity shares held (IV)	No of Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class eg: X	Class eg: Y	Total								
(A)	Promoter & Promoter Group	7	4857600	0	0	4857600	100.00	0	0	0	0	0	100.00	0	0	N.A	N.A	-
(B)	Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	-
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	-
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	-
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	-
	<b>Total</b>	<b>7</b>	<b>4857600</b>	<b>0</b>	<b>0</b>	<b>4857600</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>N.A</b>	<b>N.A</b>	<b>-</b>

ii. Shareholding Pattern of the Promoter and Promoter Group:

Sr. No.	Category & Name of the shareholders (I)	PAN (II) (Not to be Disclosed)	No s of sha reh old er (II I)	No of fully paid-up equity shares held (IV)	Pa rtl y pai d-up eq uit y sha res hel d (V)	No of shar es und erlyi ng Dep osit ory Rec eipt s (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareh olding % calculat ed as per SCRR, 1957) As a % of (A+B+ C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstandin g convers ion of converti ble securiti es (as a percent age of diluted share capital) (XI)=(V II)+(X) as a % of (A+B+ C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbare d (XIII)		Number of equity shares held in demateri lized form (XIV)	
									No of Voting Rights			Total as a % of Total Voting Rights		No. (a)	As a % of total shares held (b)	No. (a)	As a % of total share s held (b)		
									Clas s X	Cl as s Y	Tot al								
(1)	Indian																		
(a)	Individuals/H.U.F		7	4857600	0	0	4857600	100.00	0	0	0	0	0	100.00	-	-	-	-	-
1.	Snajeev Bhatia	AFIPB0972M		2380000	0	0	2380000	49.00	0	0	0	0	0	49.00	-	-	-	-	-
2.	Harbanslal Bhatia	ABBPB7976Q		2380000	0	0	2380000	49.00	0	0	0	0	0	49.00	-	-	-	-	-
3.	Nikhil Bhatia	AFIPB0971J		36427	0	0	36427	0.75	0	0	0	0	0	0.75	-	-	-	-	-
4.	Kamaleshkumari Bhatia	ABXPB0070F		13	0	0	13	0	0	0	0	0	0	0	-	-	-	-	-
5.	Naresh Bhatia	ABXPB0069L		13	0	0	13	0	0	0	0	0	0	0	-	-	-	-	-
6.	Hema Bhatia	AJJPB8854B		61133	0	0	61133	1.25	0	0	0	0	0	1.25	-	-	-	-	-
7.	Garima Nikhil Bhatia	AMVPB5615R		14	0	0	14	0	0	0	0	0	0	0					
(b)	Cental/State		0	0	0	0	0	0.00	0	0	0	0	0	0.00	-	-	-	-	

	Government(s)																	
( c )	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0	0	0.00	-	-	-	-
(d)	<b>Any Other (Specify)</b>																	-
	<b>Bodies Corporate</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	-	-	-	-
	<b>Sub- Total (A)(1)</b>		<b>7</b>	<b>4857600</b>	<b>0</b>	<b>0</b>	<b>4857600</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100.00</b>	-	-	-	-
(2)	<b>Foreign</b>																	-
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)		0	0	0	0	0	0.00	0	0	0	0	0	0	-	-	-	-
(b)	Government		0	0	0	0	0	0.00	0	0	0	0	0	0	-	-	-	-
( c )	Institutions		0	0	0	0	0	0.00	0	0	0	0	0	0	-	-	-	-
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0	0	0	-	-	-	-
(e)	Any Other (Specify)		0	0	0	0	0	0.00	0	0	0	0	0	0	-	-	-	-
	<b>Sub- Total (A)(2)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-	-	-
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>		<b>7</b>	<b>4857600</b>	<b>0</b>	<b>0</b>	<b>4857600</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100.00</b>	-	-	-	-

iii. Shareholding Pattern of our Public Shareholder:

Sr. No.	Category & Name of the shareholders (I)	PAN (II)	Nos of shareholder (III)	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)	As a % of total shares held (Not applicable)(b)	Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total shares held (b)			
									Class X	Class Y	Total								
(1)	Institutions																		
(a)	Mutual Fund/UTI	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions Banks	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(g)	Insurance Companies	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/Pension Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub- Total (B)(1)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-
(2)	<b>Central Government/State Government(s)/President of India</b>		<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub- Total (B)(2)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-
(3)	<b>Non- Institutions</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	0.00		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-
(a)	<b>Individuals - i.Individual shareholders holding nominal share capital up to Rs.2 lakhs.</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	0.00		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-
	<b>ii.Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-
(b)	NBFCs registered with RBI		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	0.00		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-
(c)	Employee Trust		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	0.00		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	0.00		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-
(e)	Any Other (Specify) Body Corporate		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		-	-
	<b>Sub- Total (B)(3)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-

**iv. Statement showing shareholding pattern of the Non Promoter-Non Public Shareholder:**

Sr. No.	Category & Name of the shareholders (I)	PAN (II)	Nos of share holder (III)	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares(calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding and convertible securities (Including Warrants) (X)	Total Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights			Total as a % of Total Voting Rights			No.	As a % of total shares held	No. (Not applicable)	As a % of total shares held (Not applicable)	
									Class : X	Class : Y	Total								
(1)	Custodian/DR Holder																-	-	0
(a)	Name of DR Holder (If available)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	0
	Sub total (C ) (1)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	0
(2)	Employee Benefit Trust (Under SEBI (Share based Employee Benefit ) Regulations, 2014)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	0
	Sub total (C) (2)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	
	Total Non-Promoter – Non Public Shareholding(C) = (C) (1)+©(2)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	0

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

**11. The shareholding pattern of our Company before and after the Issue:**

Sr. No.	Name Of Share Holder	Pre Issue		Post Issue	
		No Of Equity Shares	As a % Of Issued Capital	No Of Equity Shares	As a % Of Issued Capital
Promoter –A					
1.	Sanjeev Bhatia	23,80,000	49.00	21,30,000	34.04
2.	Harbanslal Bhatia	23,80,000	49.00	23,80,000	38.03
3.	Nikhil Bhatia	36,427	0.75	36,427	0.58
	Sub Total A	47,96,427	98.75	45,46,427	72.65
Promoter Group -B					
4.	Kamaleshkumari Bhatia	13	-	13	-
5.	Naresh Bhatia	13	-	13	-
6.	Garima Bhatia	14	-	14	-
7.	Hema Bhatia	61,133	1.25	61,133	0.98
	Sub Total B	61,173	1.25	61,173	0.98
	Total (A+B)	48,57,600	100.00	46,07,600	73.63
Public					
	Sub Total C	0	0	0	0
	Total (A+B+C)	48,57,600	100.00	46,07,600	73.63
	Offer for sale D	-	-	2,50,000	4.00
	Fresh Issue D			14,00,000	22.37
	Total (A+B+C+D)	48,57,600	100.00	62,57,600	100.00

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure within a period of six months from the date of opening of this 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 ventures, 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.

13. During the past six months immediately preceding the date of filing Prospectus the details of Equity shares of the company have been purchased or sold by our Promoter, their relatives and associates, persons in Promoter Group [as defined under sub clause (zb) sub regulation (1) Regulation 2 of SEBI (ICDR) Regulations are as under:

Sr. No	Date	Transferor	Transferee	No. of Shares	Price per Share in Rs.	Promoter/ Promoter Group
1	05/01/2018	Hema Bhatia	Garima Nikhil Bhatia	10	150	Promoter Group
2	05/01/2018	Hema Bhatia	Kamleshkumari Bhatia	10	150	Promoter Group
3	05/01/2018	Hema Bhatia	Naresh Bhatia	10	150	Promoter Group

14. 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 six months preceding the date of filing of the Prospectus.

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



16. Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 232-234 of the Companies Act, 2013.
17. There are no safety net arrangements for this public issue.
18. As on the date of filing of the Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
19. All the Equity Shares of our Company are fully paid up as on the date of the Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
20. As per RBI regulations, OCBs are not allowed to participate in this Issue.
21. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.

**22. Particulars of top ten shareholders:**

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

<b>Sr. No.</b>	<b>Name of shareholder</b>	<b>No. of Shares</b>	<b>% of Shares to Pre-Issue Capital</b>
1.	Sanjeev Bhatia	2380000	49.00
2.	Harbanslal Bhatia	2380000	49.00
3.	Nikhil Bhatia	36427	0.75
4.	Hema Bhatia	61133	1.25
5.	Garima Bhatia	14	0.00
6.	Ka,Leshkumari Bhatia	13	0.00
7.	Naresh Bhatia	13	0.00
<b>Total</b>		<b>4857600</b>	<b>100.00</b>

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

<b>Sr. No.</b>	<b>Name of shareholder</b>	<b>No. of Shares</b>	<b>% of Shares to Pre-Issue Capital</b>
1.	Sanjeev Bhatia	2380000	49.00
2.	Harbanslal Bhatia	2380000	49.00
3.	Nikhil Bhatia	36427	0.75
4.	Hema Bhatia	61133	1.25
5.	Garima Bhatia	14	0.00
6.	Ka,Leshkumari Bhatia	13	0.00
7.	Naresh Bhatia	13	0.00
<b>Total</b>		<b>4857600</b>	<b>100</b>

**(c) Particulars of the top ten shareholders two years prior to the date of the Prospectus**

<b>Sr. No.</b>	<b>Name of shareholder</b>	<b>No. of Shares</b>	<b>% of Shares to Pre-Issue Capital</b>
1.	Sanjeev Bhatia	255000	49.50
2.	Harbanslal Bhatia	255000	49.50
3.	Gagan Bhatia	510	0.10
4.	Hemant Bhatia	510	0.10

5.	Kamleshkumari Bhatia	510	0.10
6.	Kishanlal Bhatia	510	0.10
7.	Naresh Bhatia	510	0.10
8.	Nikhil Bhatia	510	0.10
9.	Pushpa Bhatia	510	0.10
10.	Shakuntala Bhatia	510	0.10
<b>Total</b>		<b>5,14,080</b>	<b>99.80</b>

23. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
24. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
25. 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 this Issue.
26. We have 7 shareholders as on the date of filing of the Prospectus.
27. Our Promoter and the members of our Promoter Group will not participate in this Issue.
28. Our Company has not made any public issue or right issue since its incorporation.
29. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Prospectus.
30. Our Company shall ensure that transactions in the Equity Shares by the Promoter and the Promoter Group between the date of registering Prospectus with the Registrar of Companies and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

## SECTION IV - PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The present Public Issue of 16,50,000 Equity Shares includes a Fresh Issue of 14,00,000 Equity shares and an offer for sale by the Selling Shareholder of 2,50,000 equity shares at an issue price of ₹ 150 per Equity Share.

#### The Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale.

#### The objects of the Issue are:

1. Long term Working capital requirement
2. General Corporate Purpose,
3. Meeting Public Issue Expenses.

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. We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail future growth opportunities.

The main object clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue.

### FUND REQUIREMENTS

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

#### Requirement of Funds

(₹ In Lacs)			
Sr. No.	Particulars	Amount	% of the Total Issue Size
1)	Long term Working capital Requirements	1550.00	7381
2)	General Corporate Purpose	500.00	23.81
3)	Public Issue Expenses	50.00	2.38
	<b>Total</b>	<b>2100.00</b>	<b>100.00</b>

#### Means of Finance

(₹ In Lacs)		
Sr. No.	Particulars	Amount
1)	Proceeds from Initial Public Offer	2100.00
	<b>Total</b>	<b>2100.00</b>

We propose to meet the requirement of funds for the stated objects of the Issue from the IPO Proceeds. Hence, no amount is required to be raised through means other than the Issue Proceeds. Accordingly, the requirements under Regulation 4 (2) (g) of the SEBI ICDR Regulations and Clause VII C of Part A of Schedule VIII of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals) are not applicable.

Our fund requirements and deployment thereof are based on the estimates of our management. These are based on current circumstances of our business and are subject to change in light of changes in external circumstances or costs, or in our financial condition and business or strategy. Our management, in response to the dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding

requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

No part of the issue proceeds will be paid as consideration to Promoters, Promoter Group, Group Entities, directors, Key Managerial Personnel and associates.

## **DETAILS OF THE OBJECTS OF THE ISSUE**

### **1) LONG TERM WORKING CAPITAL REQUIREMENTS**

The Company is Stockist, Wholesaler and Retailer of Cell phone of various companies. our company is mainly active in trading and retailing segment. On account of paucity of funds, the company is taking average credit period of 1.75 months from the suppliers and not getting good discount on purchase of cell phones.

As on March 31, 2017 the Company's net working capital consisted of Rs. 420.28 Lakhs as against the Rs. 312.97 lakhs as on March 31, 2016. The Net working capital requirement for current financial year F.Y. 2017-18 is estimated to be Rs. 1818.13 Lakhs . As on the date of this Prospectus we meet our working capital requirements in the ordinary course of its business from capital, internal accruals, unsecured loans, working capital loans from the Banks etc.

Basis of estimation of working capital requirement and estimated working capital requirement:

(₹ In Lacs)

<b>Particulars</b>	<b>F.Y. 2015-2016</b>	<b>F.Y. 2016-2017</b>	<b>30th September , 2017</b>	<b>F.Y. 2017-18 (Current year)</b>	<b>F.Y.2018-19 ( Estimated)</b>
Current Assets					
Inventories	894.30	1273.44	1292.62	1952.12	2546.25
Trade Receivables	287.12	504.25	697.73	762.5	892.5
Short Term Loans and Advances	92.28	93.52	150.25	175	215
Cash and Bank Balance	190.35	158.18	229.09	230	243
Total Currents Assets (A)	1464.05	2029.39	2369.69	3119.63	3896.75
Less: Current Liabilities					
Trade Payables	1267.49	1670.99	1862.08	1212.5	1697.5
Other Current Liabilities	6.39	21.51	18.88	19	20
Short Term Provisions	16.70	23.92	68.45	70	75
Total Current Liabilities (B)	1290.58	1716.42	1949.41	1301.50	1792.50
NET WORKING CAPITAL REQUIREMENTS (A-B)	173.47	312.97	420.28	1818.13	2104.25

Funding Pattern					
Bank Finance	23.89	259.39	369.95	400	500
Net Working capital Gap( after Bank Finance)	149.58	53.58	50.33	1418.13	1604.25
Balance by Equity and Internal Cash Accruals				53.58	
Part utilisation of IPO proceeds for working capital				1364.55	186.13
Working capital funding through IPO	1550.67 say 1550.00				

Assumptions for working capital requirements

Particulars	No. of Months outstanding or holding level as on			F.Y. 2017-18 (current year)	F.Y. 2018-19 (Estimated)	Justification for Holding
	F.Y. 2015-2016	F.Y.2016-2017	September 30,2017			
Finished Goods	1.23	1.21	1.98	1.61	1.5	Estimate for 2017-18 is on the basis of past two years stocking period. September 2017 figures are not comparable with the full year operation.
Trade Receivables	0.38	0.49	1.12	0.61	0.51	Estimate for 2017-18 is on the basis of past two years outstanding Debtors. September 2017 figures are not comparable with the full year operation.
Trade Payables	1.74	1.59	2.85	1	1	Estimate for 2017-18 is on the basis of past two years credit given by the suppliers. However the Company will improve the profitability by getting better discount on purchase by reducing the a ailment of credit period from 1.60 months to 1.00 month. September 2017 figures are not comparable with the full year operation.

## 2) GENERAL CORPORATE PURPOSE :

The application of the Issue proceeds for general corporate purposes would include but not be restricted to financing our working capital requirements, capital expenditure, deposits for hiring or otherwise acquiring business premises, meeting exigencies etc. which we in the ordinary course of business may incur. 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 use Rs. 500.00 lacs for general corporate purposes.

### 3) PUBLIC ISSUE EXPENSES :

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. The estimated Issue expenses are as follows:

(₹ in lacs)		
Sr. No.	Particulars	Amount
1.	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket Expenses.	20.00
2.	Printing & Stationery and Postage Expenses	5.00
3.	Marketing and Advertisement Expenses	15.00
4.	Regulatory fees and other Expenses	4.00
5.	Other Miscellaneous Expenses	6.00
	<b>Total</b>	<b>50.00</b>

### Schedule of Implementation

All funds raised through this issue, are proposed to be utilized in the F.Y. 2017-18 and FY 2018-19 itself. The detailed breakup of the funds to be utilised year wise as follow.

Sr. No.	Particulars	Object of the Issue	Amount Spent January 17, 2018	Amount to be Spent January 17, 2018 onwards in F.Y. 2017-18	Amount to be Spent F.Y. 2018-19
1)	Long term Working capital requirement	1550.00	0	1365.00	185.00
2)	General Corporate Purpose	500.00	0	200.00	300.00
3)	Public Issue Expenses	50.00	8.63	41.37	
	<b>Total</b>	<b>2100.00</b>	<b>8.63</b>	<b>1606.37</b>	<b>485.00</b>

### Deployments of funds already deployed till date:

As certified by the Auditors of our Company, viz., M/s R.Kejriwal & Co. Chartered Accountants vide its certificate dated January 18, 2018 the funds deployed up to January 17, 2018 towards the object of the Issue is NIL.

### Details of Fund Deployment

(₹ in Lacs)			
Sr. No.	Particulars	Object of the Issue	Amount spent upto January 17, 2018
1)	Long term Working capital requirement	1550.00	Nil
2)	General Corporate Purpose	500.00	Nil
3)	Public Issue Expenses	50.00	8.63

	<b>Total</b>	<b>2100.00</b>	<b>8.63</b>
--	--------------	----------------	-------------

### **Appraisal Report**

None of the objects for which the Issue Proceeds will be utilised have been financially appraised by any financial institutions / banks.

### **Bridge Financing Facilities**

We have currently not raised any bridge loans against the Net Proceeds. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Issue Proceeds.

### **Interim Use of Funds**

Pending utilisation for the purpose described above, we intend to deposit the funds with Scheduled Commercial banks included in the second schedule of Reserve Bank of India Act, 1934. 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.

### **Variation on Objects**

In accordance with Section 13(8) and 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the issue without our Company being authorised to do so by the shareholders by way of Special Resolution through postal ballot. Our promoter or controlling shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as prescribed by SEBI, in this regard.

### **Shortfall of Funds**

In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

### **Monitoring of Issue proceeds**

As the size of the Issue will not exceed ₹ 10,000 Lacs, the appointment of Monitoring Agency would not be required as per Regulation 16 of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Application 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 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.

## BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Lead Manager. The financial data presented in this section are based on our Companies restated financial statements. Investors should also refer to the sections titled "Risk Factors" and "Financial Information" on pages 9 and 124, respectively, of the Prospectus to get a more informed view before making the investment decision.

### Qualitative Factors

For details of Qualitative factors please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Business Overview" beginning on page 66 of the Prospectus.

### Quantitative Factors

Information presented in this chapter is derived from our Restated Financial Statements

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

Period	Basic EPS (₹)	Diluted EPS (₹)	Weight age
Fiscal 2015	6.64	6.19	1
Fiscal 2016	6.00	5.60	2
Fiscal 2017	9.27	8.64	3
<b>Weighted Average</b>	7.74	7.22	
6 Months Ended on September ,2017 (not Annualized)	3.63	3.63	

#### 2 Basic & Diluted Earnings Per Share (EPS)( post Bonus) #:

Period	Basic EPS (₹)	Diluted EPS (₹)	Weight age
Fiscal 2015	0.71	0.70	1
Fiscal 2016	0.64	0.64	2
Fiscal 2017	0.99	0.98	3
<b>Weighted Average</b>	0.83	0.82	
6 Months Ended on September ,2017	2.72	2.72	

# Pursuant to Board Resolution dated January 05,2018 our Company had made bonus issue of shares in the ratio of 1:3 and issued 12,04,400 Equity shares as bonus shares out of the Profit and Loss Account and the Bonus issue of shares are considered in calculation of EPS.

#### Note

# Basic earnings per share (₹) = Net profit after tax (as restated) attributable to shareholders divided by Weighted average number of equity shares outstanding during the year.

# The face value of each Equity Share is ₹ 10.

#### 3. Standalone Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 150:

Particulars	P/E at the Issue Price (₹ 150)
<b>Pre Bonus</b>	
a. Based on 2016-17 basic EPS of ₹ 9.27	16.18
b. Based on weighted average basic EPS of ₹7.74	19.38
<b>Post Bonus</b>	



a. Based on 2016-17 basic EPS of ₹ 0.99	151.52
b. Based on weighted average basic EPS of ₹ 0.83	181.45

**4. Standalone Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 150:**

Particulars	P/E at the Issue Price (₹ 150)
<b>Pre Bonus</b>	
a. Based on 2016-17 Diluted EPS of ₹ 8.64	17.36
b. Based on September 30,2017 diluted EPS of ₹3.63	41.32
c. Based on weighted average Diluted EPS of ₹7.22	20.78
<b>Post Bonus</b>	
a. Based on 2016-17 Diluted EPS of ₹ 0.98	153.06
b. Based on September 30,2017 diluted EPS of ₹2.72	55.15
b. Based on weighted average Diluted EPS of ₹ 0.82	182.93

**5. Standalone Return on Net Worth#**

Period	Return on Net Worth (%)	Weights
Year ended March 31, 2015	12.39	1
Year ended March 31, 2016	10.07	2
Year ended March 31, 2017	13.46	3
<b>Weighted Average</b>	<b>10.09</b>	
6 Months Ended on September ,2017	<b>26.97</b>	

# Return on net worth (%) = Net Profit after tax as restated / Net worth at the end of the year

**7. Standalone**

- A. Minimum Return on Total Net Worth after issue need to maintain Basic EPS as on March 31,2017 at Rs. 9.27 =22.43 %
- B. Minimum Return on Total Net Worth after issue need to maintain Diluted EPS as on March 31, 2017 at Rs. 8.64 =20.91 %

**9. Net Asset Value per Equity Share**

Amount(in ₹)				
Particular	March 31,2015	March 31,2016	March 31,2017	September 30, 2017
NAV per Equity Share	53.62	59.62	68.90	13.34
NAV after issue				41.33
Issue Price per Equity Share				150

Net asset value per share (₹) = Net Worth at the end of the Year /Total number of equity shares outstanding at the end of the year

**1. Comparison of Accounting Ratios with peer group**

Name of the company	Standalone/ Consolidated	Face Value (₹)	EPS (₹) Basic	P/E Ratio	RoNW (%)	NAV per Equity Share (₹)	Income (in Crores)
Bhatia Communications & Retail (India) Limited (March	Standalone	10	9.27	17.36	13.46	68.90	124.33

31, 2017)							
<b>Peer Group #</b>							
Vmart Limited	Standalone	10	21.88	74.99	14.62	149.62	1001.72
V2 Retail Limited	Standalone	10	5.21	89.62	3.69	122.03	471.42
Trent limited	Standalone	10	3.22	104.77	6.94	46.37	1738.06

# The Figures of the peer Group companies for the FY 2016-17 are taken from the annual reports on website i.e. [www.bseindia.com](http://www.bseindia.com). The share Price of the peer group companies are as on January 17, 2018.

2. The face value of Equity Shares of our Company is ₹ 10 per Equity Share and the Issue price is 15 times the face value.
3. The Issue Price of ₹ 150 is determined by our Company, in consultation with the Lead Manager 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 "Financial Information" beginning on page numbers 9, 65 and 124, respectively of the Prospectus.

**STATEMENT OF POSSIBLE TAX BENEFITS**  
**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS**  
**SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

To  
The Board of Directors,  
**Bhatia Communications & Retail (India) Limited**  
132, Dr. Ambedkar Shopping Centre,  
Ring Road, Surat - 395002

Dear Sirs,

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

We hereby report that the enclosed statement states the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (Act) including amendments made by Finance Act, 2017 presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilment of such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

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 issue.

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

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

**For R Kejariwal & Co.**  
**Chartered Accountants**

**Vishal Joshi**  
**Partner**  
**M. No. 427019**  
**FRN No. 133558W**  
**Date: January 18, 2018**

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

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

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

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

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

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

#### **Notes:**

- i. The above Statement covers only certain relevant direct tax law benefits and does not cover any indirect law benefits or benefit under any other law.
- ii. All the above benefits are as per the Current Tax Laws and any change or amendment in the laws/regulation, which when implemented would impact the same.
- iii. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications

## SECTION V- ABOUT US

### INDUSTRY OVERVIEW

Disclaimer: Pursuant to the requirements of the SEBI ICDR Regulations, the discussion on the business of Our Company in this Prospectus consists of disclosures pertaining to industry grouping and classification. The industry grouping and classification is based on our Company's own understanding and perception and such understanding and perception could be substantially different or at variance from the views and understanding of third parties. Our Company acknowledges that certain product/services described in the Prospectus could be trademarks, brand names and/ or generic names of products owned by third parties and the reference to such trademarks, brand names and/or generic names in the Prospectus is only for the purpose of describing the products. The industry data has been collated from various industry and/or research publications and from information available from the World Wide Web. The information in this section is derived from various government/Industry Association publications and other sources. Neither we, nor any other person connected with the issue has verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

### GLOBAL SCENARIO

Global economic activity and trade picked up modestly from the later part of 2016. The firming up of commodity prices led to some uptick in inflation in major advanced economies (AEs). Recessionary conditions ebbed in key commodity exporting emerging market economies (EMEs), setting the stage for a turnaround in EMEs as a group.

Since the MPR of October 2016, global growth picked up modestly towards end-2016, and is projected to improve further in 2017 by multilateral agencies. Growth in EMEs moderated in 2016, but is set to improve with the ebbing of recessionary conditions in key commodity exporting countries. Even though world trade appeared to have emerged out of a trough, new risks have emerged from an increasing tendency towards protectionist policies and heightened political tensions. Commodity prices have risen since late 2016 on improvement in US economic indicators such as strong labour market and consumer spending; infrastructure spending in China; and geopolitical concerns. Crude oil prices firmed after the OPEC announced curtailment of production. Inflation edged up on expectations of reflationary fiscal policies in the US, rising energy prices and a mild strengthening of demand.

International financial markets were impacted by the US election results and expectations of monetary policy tightening by the Federal Reserve, underpinned by hawkish forward guidance. Financial markets in EMEs briefly turned volatile after the US election due to large capital outflows leading to plunges in currency and equity markets. Nevertheless, average volatility remained contained by historical standards since Q4:2016. Bond yields hardened across the globe in tandem with US yields, before softening somewhat since mid-March. Strengthening of the US economy further buoyed the equity markets, while the increasing likelihood of more rate hikes by the Federal Reserve in 2017 hardened bond yields in AEs. The US dollar appreciated to a multi-year high in December and remained bullish.

(Source: Monetary Policy Repot - April 2017\_  
<https://www.rbi.org.in/scripts/PublicationsView.aspx?id=17454#C18>)

The Table below shows the Real GDP Growth (q-o-q, saar)

Table V.1: Real GDP Growth (q-o-q, saar)							
							(Per cent)
Country	Q4-2015	Q1-2016	Q2-2016	Q3-2016	Q4-2016	2017 (P)	2018 (P)
Advanced Economies (AEs)							
US	0.9	0.8	1.4	3.5	2.1	2.3	2.5
Euro area	2.0	2.0	1.2	1.6	1.6	1.6	1.6
Japan	-1.0	1.9	2.2	1.2	1.2	0.8	0.5

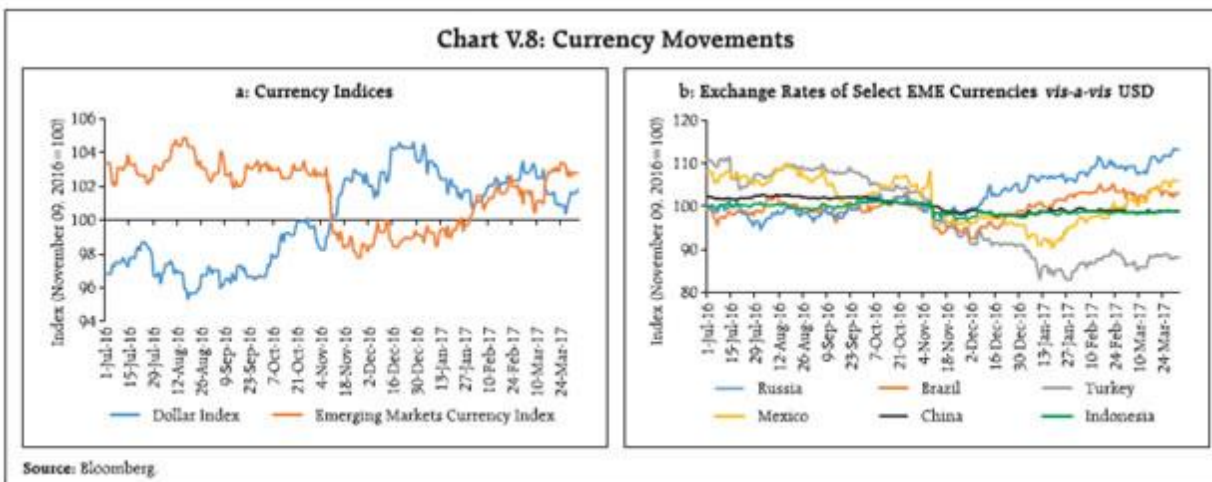
UK	2.8	0.8	2.4	2.0	2.8	1.5	1.4
Canada	0.5	2.7	-1.2	3.8	2.6	1.9	2.0
Korea	2.8	2.0	3.6	2.0	2.0	3.0	3.1
Emerging Market Economies (EMEs)							
China	6.0	5.2	7.6	7.2	6.8	6.5	6.0
Brazil	-4.8	-2.4	-1.3	-2.9	-3.6	0.2	1.5
Russia*	-3.2	-0.4	-0.5	-0.4	0.3	1.1	1.2
South Africa	0.5	-1.5	3.1	0.4	-0.3	0.8	1.6
Thailand	2.5	4.3	4.2	1.7	1.7	3.3	3.1
Malaysia	4.8	4.0	2.8	5.6	5.6	4.6	4.7
Mexico	1.6	1.9	0.4	4.2	2.8	1.7	2.0
Saudi Arabia*	4.3	2.0	1.5	0.9	1.2	0.4	2.3
Memo:							
					<b>2016 (E)</b>	<b>2017 (P)</b>	<b>2018 (P)</b>
World Output					3.1	3.4	3.6
World Trade Volume					1.9	3.8	4.1

With commodity and oil prices rebounding, spare capacity getting absorbed and inflation expectations firming up, there has been some uptick in inflation in major AEs in the recent period. Given the persisting economic slack, however, inflation remained below targets in most AEs. In the US, inflation sequentially accelerated in November and December to reach a level that was the highest since September 2014. However, core personal consumption expenditure (PCE) inflation remained stable at around 1.8 per cent during January and February 2017. Furthermore, 1-year USD inflation swap rate, which is an indicator of inflation expectations, has been stable since March 2017.

Within the food group, there were upside price pressure points in sugar, cereals and other food items such as prepared meals. Slippage in production during 2015-16 and 2016-17 caused double-digit inflation in sugar prices during the year. Under cereals, inflation in respect of rice has eased during October 2016 - January 2017, while inflation in wheat continued to firm up. A number of price control measures have been undertaken by the government for containing the price rise in the case of sugar and edible oil, including imposition of stockholding limits, discouraging exports, and reduction in import duty on certain edible oils.

In a generally improving macroeconomic environment beginning in the second half of 2016, global financial markets were influenced by three events, viz., the US election, expectations and materialisation of the policy rate hike by the Federal Reserve, and uncertainty surrounding the Brexit roadmap.

Currency markets have been driven mainly by anticipation of policy initiatives by the new US administration and monetary policy stances in major AEs. The US dollar appreciated against most currencies beginning early November. It reached a 14-year high in December, before some reversal in Q1:2017 on uncertainty in realisation of Trump administration's policy initiatives and expectations of a slower pace of rate hikes by the Federal Reserve. The euro depreciated against the US dollar on political uncertainty. The pound was volatile against the US dollar – it gained during late November and early December on expectations of a favourable deal with the EU, but depreciated in January 2017 on resurfacing of uncertainty in the deal. The Japanese yen depreciated as yield spreads between Japan and the US/Euro area widened, before narrowing somewhat in Q1 of 2017.



To sum up, the modest turnaround in global recovery since the latter part of the previous year is projected to strengthen further. While AEs are likely to consolidate economic recovery, the ongoing slowdown in EMEs could reverse. Despite some firming up, inflation in AEs is expected to largely remain stable going by the 1-year inflation swap rate in the US. Economic activity and financial markets will continue to be impacted by political and policy uncertainties as well as monetary policy moves by major AEs.

(Source: Monetary Policy Report - April 2017\_  
<https://www.rbi.org.in/scripts/PublicationsView.aspx?id=17454#C18>)

## OVERVIEW OF INDIAN ECONOMY

India has emerged as one of the fastest growing economies in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). The global growth prospects also look positive with the main economies gradually ascending the growth ladder. The Government of India has forecasted that the Indian economy will grow by 7.1 per cent in FY 2016-17. As per the Economic Survey 2016-17, the Indian economy should grow between 6.75 and 7.5 per cent in FY 2017-18. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, Reserve Bank of India's (RBI) inflation focus supported by benign global commodity prices. India's consumer confidence index stood at 136 in the fourth quarter of 2016, topping the global list of countries on the same parameter, as a result of strong consumer sentiment, according to market research agency, Nielsen. Moody's has affirmed the Government of India's Baa3 rating with a positive outlook stating that the reforms by the government will enable the country perform better compared to its peers over the medium term.

India's gross domestic product (GDP) grew by 7 per cent year-on-year in October-December 2016 quarter, which is the strongest among G-20 countries, as per Organisation for Economic Co-operation and Development (OECD) Economic Survey of India, 2017. According to IMF World Economic Outlook Update (January 2017), Indian economy is expected to grow at 7.2 per cent during FY 2016-17 and further accelerate to 7.7 per cent during FY 2017-18.

According to The World Bank, the Indian economy will likely grow at 7 per cent in 2016-17, followed by further acceleration to 7.6 per cent in 2017-18 and 7.8 per cent in 2018-19.

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

## Indian Telecommunication Market

India is currently the world's second-largest telecommunications market with a subscriber base of 1.05 billion and has registered strong growth in the past decade and half. The Indian mobile economy is growing rapidly and will

contribute substantially to India's Gross Domestic Product (GDP), according to report. The country is the fourth largest app economy in the world.

The liberal and reformist policies of the Government of India have been instrumental along with strong consumer demand in the rapid growth in the Indian telecom sector. The government has enabled easy market access to telecom equipment and a fair and proactive regulatory framework that has ensured availability of telecom services to consumer at affordable prices. The deregulation of Foreign Direct Investment (FDI) norms has made the sector one of the fastest growing and a top five employment opportunity generator in the country.

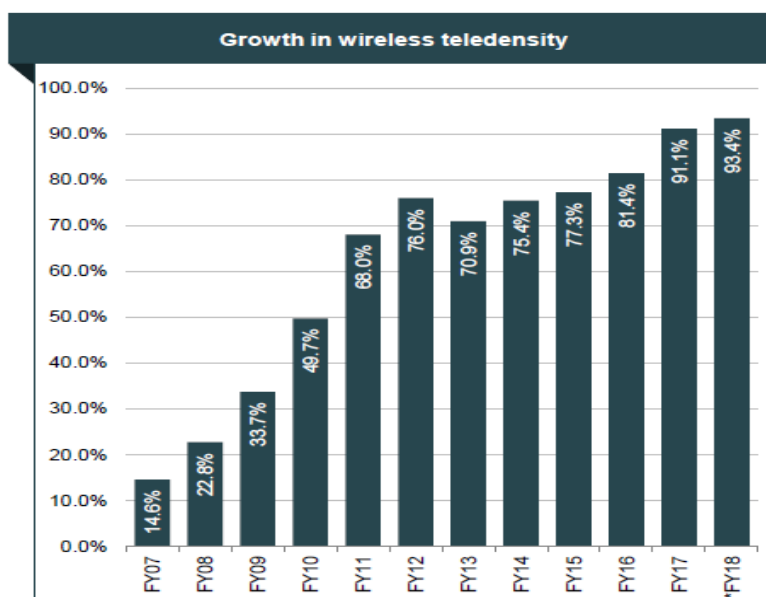
The Indian telecom sector is expected to generate four million direct and indirect jobs over the next five years according to estimates by Randstad India. The employment opportunities are expected to be created due to combination of government's efforts to increase penetration in rural areas and the rapid increase in smartphone sales and rising internet usage.

### Market Size

The mobile industry is expected to create a total economic value of Rs 14 trillion (US\$ 217.37 billion) by the year 2020. It would generate around 3 million direct job opportunities and 2 million indirect jobs during this period according to a report 'The Mobile Economy India 2016' by GSMA. India has become the second largest smartphone market in the world as shipments increased 23 per cent year-on-year in Q3 2017, to reach more than 40 million units.

Rise in mobile-phone penetration and decline in data costs will add 500 million new internet users in India over the next five years creating opportunities for new businesses. The monthly data usage per smartphone in India is expected to increase from 3.9 GB in 2017 to 18 GB by 2023. With a subscriber base of nearly 1,206.71 million, as of September 2017, India accounted for the 2nd largest telecom network in the world.

Mobile based Internet is a key component of Indian Internet usage, with 7 out of 8 users accessing internet from their mobile phones. As of September 2017, urban tele-density stood at 173.15 per cent and rural tele-density at 56.71 per cent. Availability of affordable smartphones and lower rates are expected to drive growth in the Indian telecom industry.



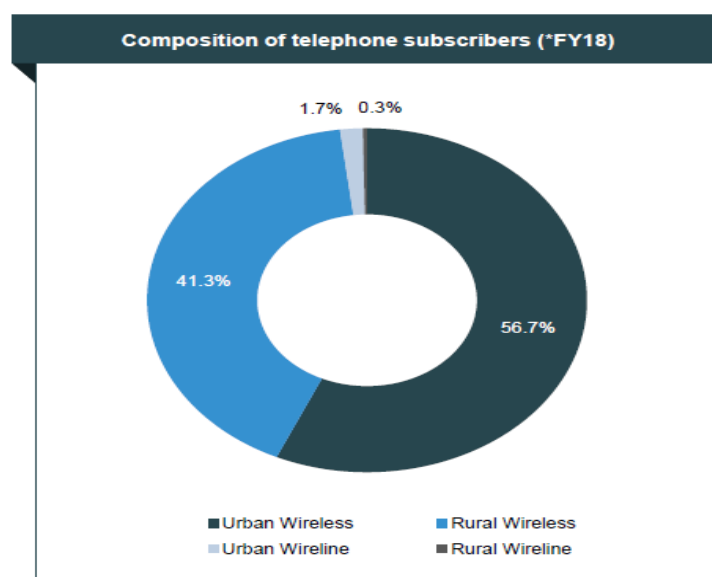
Data usage on Indian telecom operators' networks (excluding Reliance Jio), doubled in six months to 359 petabytes or 3.7 million gigabytes per month as 4G data usage share increased to 34 per cent by the end of June 2017.



According to a report by leading research firm Market Research Store, the Indian telecommunication services market will likely grow by 10.3 per cent year-on-year to reach US\$ 103.9 billion by 2020.

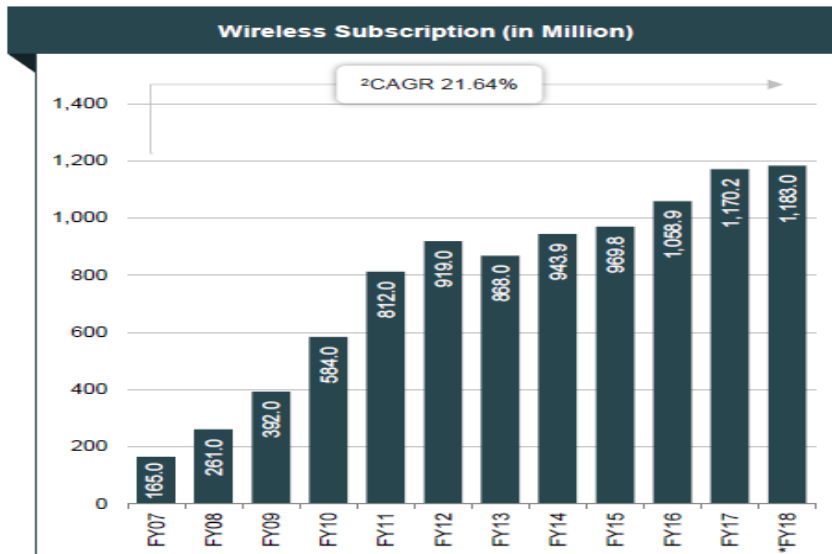
### Advantage to Indian Market

- India is the world's 2nd largest telecommunications market, with 1.206 billion subscribers as of September 2017.
- With 70 per cent of the population staying in rural areas, the rural market would be a key growth driver in the coming years.
- Telecom penetration in the nation's rural market reached 56.71 per cent, as of September 2017.
- The government has been proactive in its efforts to transform India into a global telecommunication hub; prudent regulatory support has also helped.
- The country has a strong telecommunication infrastructure.
- In terms of telecommunication ratings, India ranks ahead of its peers in the West and Asia.



### Wireless Segment in Indian Telecommunication Market

- In September 2017, the wireless segment (98.04 per cent of total telephone subscriptions) dominated the market.
- Urban regions accounted for 58.41 per cent share in the overall telecom subscriptions in the country, while rural areas accounted for the remaining share.
- During FY07-17, wireless subscriptions in the country increased at a CAGR of 21.64 per cent, with the number of subscribers reaching to 1,170.2 million in FY17.
- Wireless subscribers stood at 1,183.04 million in September 2017.
- As of September 2017, urban teledensity stood at 173.15 while rural teledensity stood at 56.71.
- India is the world's second largest smart phone market and is expected to have almost 1 billion unique mobile subscribers by 2020.
- The mobile segment's teledensity surged from 14.6 per cent in FY07 to 93.40 per cent in FY18\*.
- GSM services continue to dominate the wireless market with a 98.92 per cent share (as of March 2017); while CDMA services accounted for the remaining 1.08 per cent share.



(Source: <https://www.ibef.org/industry/telecommunications.aspx>)

## Business Overview

*In this section “our Company” refers to the Company, while “we”, “us” and “our” refers to our Company. This chapter 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 sections titled ‘Risk Factors’ and ‘Auditors Report and Financial Information of our Company’ and the chapter titled ‘Management Discussion and Analysis of Financial Condition and Results of Operations’ beginning on pages 9, 124, and 167 respectively, of this Prospectus. Unless the context otherwise requires, in relation to business operations, in this chapter of this Prospectus, all references to “we”, “us”, “our” and “our Company” are to "Bhatia Communications & Retail (India) Limited" as the case may be.*

Our Company was incorporated as "Bhatia Communications & Retail (India) Private Limited" under the provision of the Companies Act, 1956 vide certificate of incorporation dated March 25, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to “Bhatia Communications & Retail (India) Limited” and fresh certificate of incorporation dated January 17, 2018 was issued by the Assistant ROC, Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U32109GJ2008PLC053336.

We are engaged into retail and wholesale distribution business of mobile handsets, tablets, data-cards, mobile accessories, mobile related products etc. We sell smart mobile handsets of all the brands including Apple I-Phone, Samsung, OPPO, GIONEE, VIVO etc, mobile related products, tablets, data cards, accessories under one roof through our owned 72 retail outlets chain located all over the South Gujarat region including Surat, Vapi, Valsad, Navsari, Vyara etc. We also sell cellular mobile devices and accessories of all brand through our 24 franchisee retail chain dealers located in the South Gujarat region.

The existing business was started back in 2008 with a single shop by taking over the running business of partnership firm M/s. Bhatia Watch & Gift and at present under the Brand name of Bhatia Communication/Bhatia Mobile - "The Mobile One stop Shop" the same has expanded its space to more than 96 shops in South Gujarat including franchisees. In the past years we were importing the electronic products but at present we have discontinued the same.

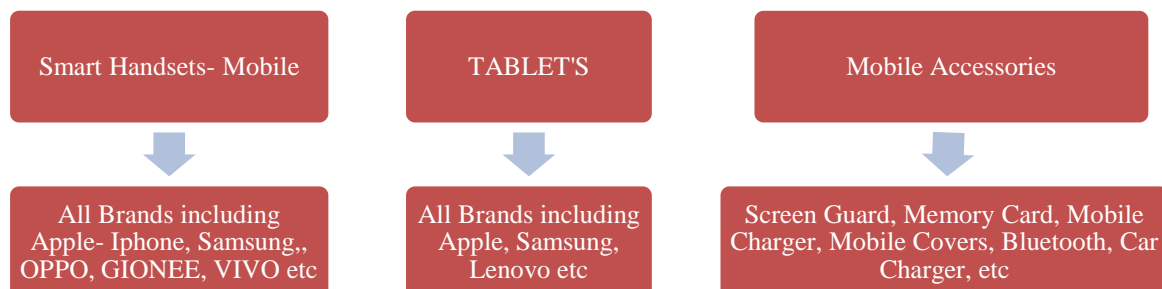
Our Company also provide credit/EMI facilities to its customers for buying our products for which our company has tied up with major leading credit houses like Bajaj Finserv, Capital First etc. Our Company in order to continue relationship with our valuable customers, we also provide after sale services related to mobile handsets and tablets in our own retail and franchisee outlets. Our Company also enjoys warranty on mobiles and tablets components from its suppliers company as back to back. Generally, in case of defect the company gets free replacement or servicing from suppliers company.

Guidance and foresight of our promoters, Shri Sanjeev Bhatia and Shri Harbanslal Bhatia are the driving force behind the growth achieved by the company. Knowledge and experience in the intricacies of the telecommunication markets of our promoters and whole time directors have allowed us to form a base of Trust and Integrity which has become our brand identity namely "Bhatia Communication/Bhatia Mobile- The Mobile One stop Shop". This, along with staying at the forefront of technological progresses has helped us increase our top line and bottom line year on year on year basis. These ideologies have evolved work culture that nourishes calculated risk-taking and operational excellence, resulting in a robust and hardworking team, which is the core strength of our Company. Our Company has shown robust growth during the last five Financial years and for the period ended September 30, 2017. The financial performance of the company for last five years and for the stub period as per restated statement is given below:

(₹. In Lakhs)						
Particulars	September 30, 2017	2016-17	2015-16	2014-15	2013-14	2012-13
Income from Operations	7,451.55	12,433.11	8,961.46	10,387.92	9,928.48	7,080.79
Other Income	1,072.07	915.97	646.67	669.46	483.24	348.67
Total Income	8,523.61	13,349.08	9,608.13	11,057.38	10,411.72	7,429.46

Profit before Tax (PBT)	190.25	69.45	45.76	51.61	51.75	30.25
Profit after Tax (PAT)	131.07	47.77	30.93	34.21	35.07	20.01

**Our range of Products includes:**



## AWARDS/ACHIEVEMENTS

our company has been given recognition by home credit for being best partner for the quarter July to September 2017.



## COMPETITIVE STRENGTHS

We believe that the following strengths have contributed to success and will be competitive advantage for us, supporting our strategy and contribution to improvements in financial performance:

### Experience of our Promoters and Management

Our Company is promoted by Shri Sanjeev Bhatia and Shri Harbanslal Bhatia. Our Promoters and management is having vast experience of more than 18 years in wholesale business of consumable electronic goods including mobile, mobile accessories etc. Our Promoter- Director Shri Harbanslal Bhatia has been awarded National award for the empowerment of persons with disabilities – 2014 in public recognizing of his outstanding performance as the most efficient employee/self employed person in the category locomotor disability by the honorable president of India on December 8, 2014. He is having vast experience of more than 30 years in the field of marketing and advertisement.

### Extensive distribution network

Our Company have grown the depth and breadth of our retail and franchisee outlets rapidly. Our company is owning 72 retail outlets chain located all over the South Gujarat region including Surat, Vapi, Valsad, Navsari, Vyara etc. In addition, we are also having 24 franchisee retail chain dealers located in the South Gujarat region.

Our company focuses on building long term relationships with our franchisee dealer, in both Tier 2 and Tier 3 cities as well as in India's largest cities. Our policy is to offer attractive margins to our franchisee partners to incentivize and motivate them with respect to the distribution of our products versus the products of our competitors.

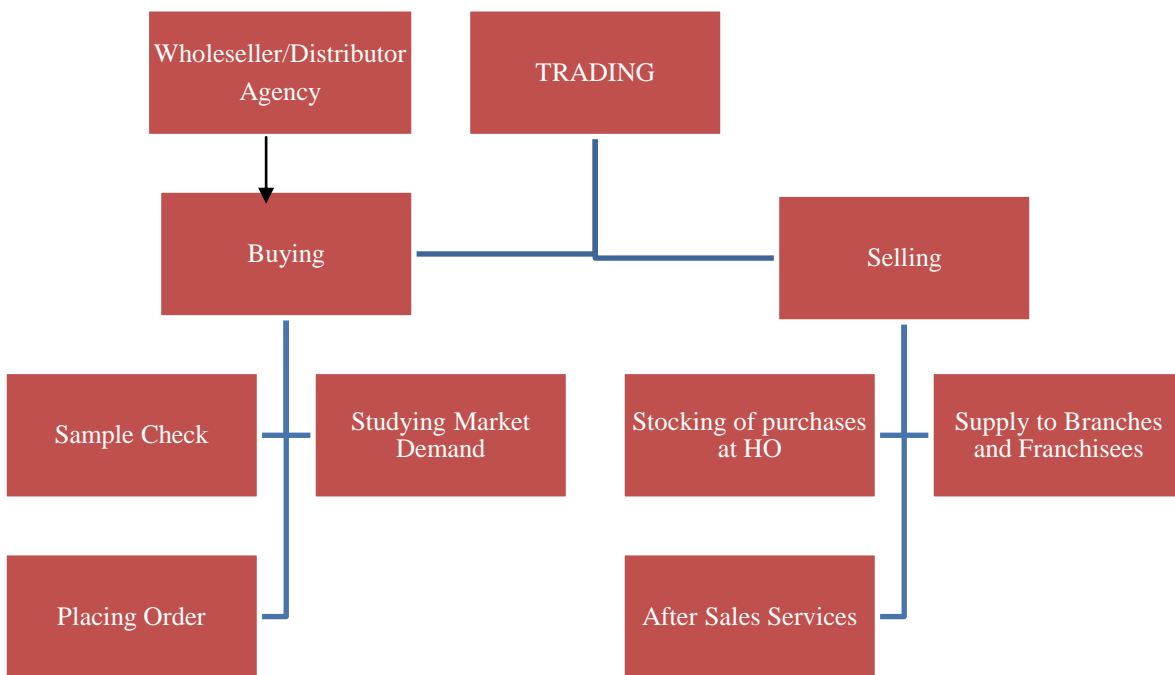
### **Training of work force and quality of after Sale Services**

Our Company trains them to improve communication skills to enhance the efficiency level. Our company is dedicated towards quality of after sale services of products which have helped us to have long term relations with our customer and has also facilitated us to entrench with new customer.

### **Wide range of our Products**

We sell smart mobile handsets of all the brands including Apple I-Phone, Samsung, OPPO, GIONEE, VIVO etc, tablets, data cards, accessories like screen guard, Memory card, mobile covers, toughen screen guard, mobile charger, hear phones, bluetooth, data cable, car charger etc. Our Company justify the name The mobile one stop shop is the tag we have given The Mobile One Stop Shop” does justice to that promise.

### **OUR BUSINESS MODEL**

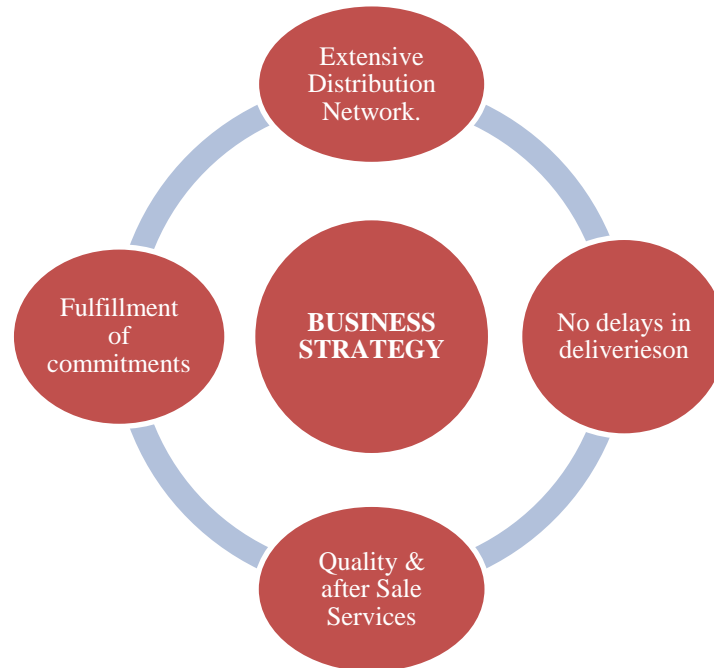


The detailed process of the above carried by our company can be defined in the following manner:

- Before a mobile handset is handed to the customer, first of all a sample piece of a mobile is called for to check its functions, operations and quality. Whether the prices commensurate with its features and other functions is checked here.
- If the company finds that the sample checked mobile handset is feasible then it goes on to study the demand of that particular phone in the market so as to satisfy the consumers on time. Market study of various classes of society helps to determine the exact level ordering quantity.
- Our company purchases the phones either from distributors or directly from the manufacturers depending upon its policy with the suppliers. On the basis of the demand the order for the required quantity of mobile phones is placed with the supplier.

- On receiving the ordered consignment the stock is stored at the main office. Supplies to all the Branches and franchisee's shop are made from the head office. Similarly, goods are always returned to the main office wherein they are dealt with in the manner as deployed by the company.
- Services are at the centre of the existence of the company in the market. After sales services to customers for all the brands plays vital role in our industry. Efficient and timely provision of services differentiates our company from its competitors. Because after sales services is also a part of sales and that matter cannot be overlooked. Our company is a successful company is providing after sales services.

## BUSINESS STRATEGY



- a) Extensive Distribution Network: Our Company is having owned 72 retail outlets chain located all over the South Gujarat region including Surat, Vapi, Valsad, Navsari, Vyara etc. In addition, our Company has 24 franchisee retail chain dealers located in the South Gujarat region.
- b) Fulfillment of commitments: It ensures that deadlines given by clients are satisfied.
- c) No delays in deliveries: It sees that all deliveries are meeting the deadlines so that cost of returned goods is minimized.
- d) Consciousness about quality service: To maintain the quality of after sales services by deploying more resources.
- e) Discipline: Timely deliveries, punctuality in the Organisation are factors to be considered here.
- f) Guidance: To give proper guidance and instructions to the assistants, subordinates, workers, supervisors, etc.
- g) No neglecting maintenance: To ensure that all the plastic wastes is treated well so that environmental pollution is reduced.

## SWOT ANALYSIS

<b>Strengths</b>	<b>Weakness</b>
<ul style="list-style-type: none"> <li>✓ Experienced Promoters, Directors and Management Team</li> <li>✓ Wide spread of Branch &amp; Franchisee network</li> <li>✓ Training of work force and quality of after Sale Services</li> <li>✓ Wide Range of Products</li> <li>✓ Cordial relations with Customers, Franchisee Distributors and suppliers</li> </ul>	<ul style="list-style-type: none"> <li>✓ Dependent upon growth of telecom industry</li> <li>✓ Lack of brand awareness</li> <li>✓ Surge in finance needs to cope with the increase demand</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>✓ Implementation of GST, resulted into increase in sales growth due to harmonization of taxes state wise and abolition of VAT rate differences.</li> <li>✓ Online selling of our Products is increasing day by day.</li> <li>✓ Credit/EMI Facilities are provided by leading credit houses like Bajaj Fiserv, HDFC, Home Credit, Capital First etc.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Industry is prone to change in government policies, any material changes in the duty or International prices may adversely impact our financials</li> <li>✓ There are no entry barriers in our industry which puts us to the threat of competition from new entrants.</li> <li>✓ Prices of products are prone to exchange rate fluctuations</li> </ul>

## **Competition**

The retail mobile handset markets in which we operate are highly competitive particularly in India as many new competitors have entered the market in the last several years. As the market continues to move towards multimedia devices, this trend may result in even more competition.

The mobile handset market participants compete with each other on the basis of their product, services and solutions portfolio, user experience, design, price, operational and manufacturing efficiency and technical, performance, distribution strategy, quality, customer support, brand and marketing. The critical factors that determine the success of a product or service vary by geographical market and product and services segment. In general, mobile device markets are becoming more segmented and diversified, and we face competition from other retailers who have also started making mobile devices as a result we are facing competition from such unorganized players.

Due to the intensity, complexity and diversity of the competition overall, the competitive landscape in our industry or in specific industry segments can change very rapidly. As the parameters of competition are less firmly established than in other industries where the competitive landscape does not change greatly from year to year, it is difficult to predict how the competitive landscape of the mobile device industry will develop in the future. General competitive factors in the market include: overall quality of user experience, design, time-to-market, brand awareness, technology offered, price, product features, performance, quality, delivery and warranty, the quality and availability of after sales service and relationships with us and with our franchisee distributor.

## **MARKETING & DISTRIBUTION:**

### **Marketing and Branding**

Our marketing plan comprises advertising in print media, radio ads, pamphlets and through sales promotions. Our marketing and branding team responsible for our outbound marketing activities, with the aim of developing and enhancing our brands and increasing traffic to our sales points.

Some of our marketing activities envisaged as below: Public relations – Our Company focuses on opportunities to raise our brand awareness through non-paid publicity activities such as articles, features and reviews. Advertising – Our Company plans to appoint suitable external agency for print as well as electronic media based on a marketing plan.

Training and in-shop demonstrators – Our Company focuses on providing in-shop demonstration training to our sales coordinators and distributors.

External displays - Our team creates posters, banners and other point of sale material for promotional activities.

### **Human Resource/ Manpower**

We believe that a skilled and motivated employee base is essential for our competitive advantage. Since inception, we have grown along with our people. Our focus has been to employ the human resource with combination of financial expertise and innovative marketing thinking for all areas and services of our organization. We place a lot of emphasis on training and development of our employees in marketing our products. As on December 31, 2017 we are presently employing 84 full time employees (including our branches).

Category	No. of Employees
Legal, Finance, Accounts, Administrative and Managerial Staff	5
Skilled, Marketing and Unskilled Staff	79

### **Power**

The Company does not require much power except the normal requirement of the offices of the Company for running systems which is procured by Torrent Power/State Electricity Boards of respective state where our offices are situated.

### **Water**

Water is required only for drinking and sanitary purpose and adequate water resources are available at the existing premises.

### **EXISTING CAPACITY & CAPACITY UTILIZATION**

We are in service industry and hence, Capacity and capacity utilization is not applicable to our Company.

### **PLANT & MACHINERY & EQUIPMENTS**

The major plant and machineries required for our business is computers and servers. We have adequate number of computer systems commensurate with our current size of operations.

### **Selling and Distribution**

At present, Our Company has presence in South Gujarat region including Surat, Vapi, Valsad, Navsari, Vyara etc covering majority of the cities in Southern Gujarat. Our company and franchisee channel distributors sell our products to consumers. Our company focuses on building long term relationships with our franchisee distributors and have grown the depth and breadth of our distribution network rapidly, in both Tier 2 and Tier 3 cities. Our policy is to offer attractive margins to our franchisee channel partners to incentivize and motivate them with respect to the distribution of our products versus the products of our competitors.

As on date, our company has entered into 24 franchisee arrangements. The details of our Franchisee arrangement is stated below:

Sr. No.	Date of Entering into Agreement	Name of Franchisee	Address
1.	December 07, 2013	A.R.Telecom	Shop, No-3Chandan Bha Plaza Rankawa Char Rasta, Gujarat.
2.	May 02, 2012	Atmiya Enterprise	Shop No. 6-7, Shree Darshan Complex, Sachin Station Road, Opp.Highschool Sachin



			Surat-394230.Gujarat.
3.	October 20, 2016	Gnowee Electric	Shop, No-1, Vinayak Complex Selvasa, Road, Vapi-396195.
4.	January 06, 2013	Kamal Mobile Sales	Nanaponda Char Rasta Vapi Road, Nanaponda Vapi-396126.
5.	Not Executed	Krishna Mobiles	Station Road,Unnai, Tal-Vasanda Dist-Navsari 396590
6.	September 20,2010	Magic Mobile	2,High School Shopping Center,Opp.Bus Stand Chikli -396521 Gujarat
7.	May 10, 2010	Mahek Electronics	22,23 Shop, Mahavir Market No 0 Opp. Udhna Station, Surat Gujarat
8.	May 08, 2012	Mobile Gallary	Shop No. 9, Rang Aadhut Society, Ram Nagar Road Surat.
9.	NOC received	Mother Care	Shop No.10 Varsha Shopping Center, M.G.Road,Near Vapi Railway Station,Vapi-396191
10.	November 22, 2013	Nakoda Mobile Gallary	Shop, B-134 Hari Dhaln Socitey, Balnroli, Surat-394210
11.	July 20, 2014	Shree Krishna Metals Mobile	At Post Anaval Teen Rastee Mahuva Anaval, Gujarat
12.	May 09, 2012	Om Sai Mobile Shop	Shop ,No.-103 Gujarat Shopping Center, Amroli (Surat)-394107
13.	November 22, 2014	Pari Mobiles	Shop No.-108-A,Priyanka City Pulse Godara Road Surat-39440,Gujarat.
14.	August 07, 2013	S.D.Mobiles	Shop No.-4 Rutvan Complex, Gangeshwar Mahadev Road, Adajan, Surat.
15.	Not Executed	Palanpur Patia	Shop No. G2 Raj Point, Near Palanpur Jkat Naka,Adajan,Surat-395009
16.	May 22, 2012	Sai Mobile	Shop, No-07 High School Shopping Sai Mandir Road, Mandvi
17.	November 05, 2015	Sai Mobile	Shop No.1 Malek Falicp Sardar Patel Road Kadod Gujarat
18.	August 22, 2016	Sai Mobile	Shop No.6 Opp. Bank Of Baroda Mandvi Road,Zankhvav
19.	July 07, 2012	Sairam Electronics	1/B Narayan Park Society, Hazira Road Surat-394510 Gujarat
20.	August 01, 2014	Shiv Mobile Gallary	Shop,535 Suraya Complex Gandevi Navsari Road, Gujarat
21.	April 08, 2015	T.U.S Mobile	Shop No.-49 Khetivadi Utpadan Bazar Samiti Bajipra Baharj Road.
22.	July 03,2011	Vankhede Mobile Communication	Shop, No-8 Western City, New Pal Road, Surat
23.	October 27, 2010	Vishwa Mobile	Main Bazar Near Hanuman Temple Main Bazar Vasnda.
24.	November 27, 2017	Varahi Mobile	Shop No-113 Gopal Complex Parvat Patiya Surat Gujarat

#### Major Terms:

- 1) Royalty Fee Equal to 0.25% Prior Weeks Gross Revenue shall be paid by Franchisee.
- 2) Interest Free Deposit of Rs. 2 Lakhs is paid by the Franchisee. Company treats the said interest free deposits as advance against the goods sold.

**INDEBTEDNESS:**

Name of the Lender	Sanction Amount (Rs in Lakhs)	Purpose	Amount o/s as on September 30, 2017 (Rs in Lakhs)	Margin	Interest Rate Per Annum	Repayment Schedule	Security (Combined Security)
<b>HDFC Bank Limited</b>							
Deed of Hypothecation.	<b>430 Lakhs Consisting of:</b> 230 Lakhs MEOD	Working Capital	219.39	82% Market Value of Property	Interest Rate 9.25% (MCLR +1.10%)  Current MCLR Rate /LIBOR Rate 8.15%	Repayable on demand	<b><u>Security -Primary</u></b> (1) Card Receivable. (2) Primary Security: For CC : Hypothecation of Stocks & Book Debts (25% margin against Stock up to 180 Days and 50% margin against book debt up to 90 days)  <b><u>Security Collateral</u></b>  <b>1.</b> Shop No.1 & 2, Ground Floor Radhika Tower Dumas Road Piplod, Surat.  <b>2.</b> Shop No. 322, Upper Ground Floor Poddar Arcade Nr Railway Station , Khand Bazar Varachha Road Surat.  <b>3.</b> Shop No 323, Upper Ground Floor Poddar Arcade, Nr Railway Station, Khand Bazar Varachha Road Surat.  <b>4.</b> Shop No. 324, Upper Ground Floor Poddaar Arcade, Nr. Railway Station, Khand Bazar, Varachha Road, Surat.  <b>5.</b> Shop No.325, Upper Ground Floor Poddar Arcade, Nr. Railway Station, Khand Bazar, Varacha Road, Suart.  <b>6.</b> Shop No.HG-9,Higeher Ground Floor Laxmi Fillas B/s Kotak House,Ghod Dod Road,
	200 Lakhs Over Draft Against Property		150.55	60% Market Value of Property	Interest Rate 9.25% (MCLR +1.10%)  Current MCLR Rate /LIBOR Rate 8.15%	Repayable on demand	

							Surat.
--	--	--	--	--	--	--	--------

#### Intangible Properties

Sr. No.	Trademark	Logo	Registration / Application No.	Class	Registration/ Application Date	Status/ Validity
1.	RETAIL OUTLET OF MOBILE PHONES AND ACCESSORIES	<b>BHATIA'S</b> The mobile one stop shop	Trademark Journal No. - 1562	35	August 30, 2007 (Renewed on December 1, 2017)	Valid till September 9, 2020

#### Details of Immovable Property:

The details of the Owned properties and leased properties is given below:

#### Leased Property

Particulars	Details
Name of the Lessor	Mr. Sanjeev Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No 132, Ambedkar Shopping Center Ring Road, Surat-395002
Usage	Registered Office
Date of Lease agreement	January 05, 2018
Tenure of Lease	11 Months w.e.f October 01, 2017
Rent (In Rs.)	10,000/- per month

Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Pravinbhai Mathurdas Patel Ms. Taraben Pravinbhai Patel
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No. 8 silver plaza, nr. Shriram petrol pump, anand mahal road, Adajan, Surat. 395009
Usage	Branch Office
Date of Lease agreement	Not executed
Rent (In Rs.)	21,250 per month
Security Deposit (In Rs.)	1,11,000
Area (Approx)	460 Square Feet

Particulars	Details
Name of the Lessor	Mrs. Binaben N. Patel Mrs. Bhavanaben R. Patel Mrs. Varshaben V. Patel
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No. 4, Ground floor, Silver Plaza Complex Adajan Road, Surat. 395009.
Usage	Branch Office
Date of Lease agreement	March 19, 2016
Tenure of Lease	January 31, 2019 w.e.f May 01, 2016
Rent (In Rs.)	63,600 Per Month
Security Deposit (In Rs.)	1,05,000
Area (Approx)	462 Square Feet

Particulars	Details
Name of the Lessor	Mr. Sharvankumar Punamchand Kalal Ms. Mithuben Punamchand Kalal
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No. 7 & 8, Maruti Shopping Center, opp. Tulsi Restaurant, Amroli Circle, Amroli, Surat 394107
Usage	Branch Office
Date of Lease agreement	March 24, 2017
Tenure of Lease	33 Months w.e.f March 01, 2017
Rent (In Rs.)	48,510 Per Month
Security Deposit (In Rs.)	150,000
Area (Approx)	-

Particulars	Details
Name of the Lessor	Mr. Maheshbhai Gopilal Agrawal Shrmishthaben Maheshbhai Agrawal
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.G8, Cross Road Shopping Center, J V Modern School Ni Same, Sayan Road, Surat
Usage	Branch Office
Date of Lease agreement	June 05, 2017
Tenure of Lease	3 Years w.e.f June 20, 2017

Rent (In Rs.)	34,000 Per Month
Security Deposit (In Rs.)	1,00,000
Area (Approx)	-

Particulars	Details
Name of the Lessor	Mr. Bhupendra S. Patel
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No. F5 & F6, Anjali Complex, opp. Railway station Ankleshwar GIDC, Ankleshwar. 393001
Usage	Branch Office
Date of Lease agreement	June 01 2015. NOC is given.
Tenure of Lease	11 Months
Rent (In Rs.)	14,000 per month
Security Deposit (In Rs.)	40,000
Area (Approx)	800 sqft

Particulars	Details
Name of the Lessor	Mr. Nikhil Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.047/048, Avadh Complex Near Sarthana Jakatnaka Surat 395006
Usage	Branch Office
Date of Lease agreement	Not executed. NOC is given.
Rent (In Rs.)	-
Security Deposit (In Rs.)	30,000
Area (Approx)	500 sqft

Particulars	Details
Name of the Lessor	Mr. Sanjeev Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No. 324-325, Bhatia Complex, Nr. Sosyo Circle Bamroli Road, Surat. 394210
Usage	Branch Office
Date of Lease agreement	January 05, 2018
Tenure of Lease	11 Months w.e.f October 01,2017
Rent (In Rs.)	10,000/- per month
Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Hema Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No. G-213, Sakar Shopping Center, Beside Mangaldas, Bhatar Road, Surat. 395004
Usage	Branch Office
Date of Lease agreement	January 05, 2018
Tenure of Lease	11 Months w.e.f October 01,2017
Rent (In Rs.)	17,500 Per Month
Security Deposit (In Rs.)	NOT Available
Area (Approx)	300 Square Feet

Particulars	Details
Name of the Lessor	Mr. Rajeshkumar P. Jariwala
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.3 & 4, Ushna Nagar Group of Housing Society, Bhatena Road, Surat.
Usage	Branch Office
Date of Lease agreement	March 01,2017
Tenure of Lease	33 Months w.e.f April 01,2017
Rent (In Rs.)	17,000 per month
Security Deposit (In Rs.)	50,000
Area (Approx)	130 Square Feet

Particulars	Details
Name of the Lessor	Mr. Dineshbhai Premjibhai Patel
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.12, Goharbag, Collage Road, Billimora-396321
Usage	Branch Office
Date of Lease agreement	February 04,2015
Tenure of Lease	February 31,2018 w.e.f February 01, 2015
Rent (In Rs.)	24,000 per month
Security Deposit (In Rs.)	1,00,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Kiran Pandey
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No. G/5, Ground Floor, Saga Casa Complex Chala, Daman Road Vapi
Usage	Branch Office
Date of Lease agreement	April 01,2017
Tenure of Lease	11 Months w.e.f February 28,2018
Rent (In Rs.)	35,000 per month
Security Deposit (In Rs.)	2,00,000
Area (Approx)	775 Square Feet

Particulars	Details
Name of the Lessor	Mr. Ratilal Ambaram Retiwala Mr. Kailashben Rameshchandra Retiwala
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Bungalow No.4, Krishnanagar Society, Division-1, Ground Floor, Near Chouksiwadi, Adajan, Surat-395009
Usage	Branch Office
Date of Lease agreement	June 02,2015
Tenure of Lease	5 years w.e.f July 01 2015
Rent (In Rs.)	17,000 per month
Security Deposit (In Rs.)	75,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Vishnubhai Dwarkadas Patel
Name of Lessee	Bhatia Communications & Retail (India) Private Limited

Description of Property	B/3, Sneh Sagar Society, Near Narayannagar, Dhanmora Road, Katargam Surat. 395004
Usage	Branch Office
Date of Lease agreement	August 09,2017
Tenure of Lease	5 Years w.e.f August 01,2017
Rent (In Rs.)	15,000 per month
Security Deposit (In Rs.)	50,000
Area (Approx)	540 Square Feet

Particulars	Details
Name of the Lessor	Ghanshyambhai Jivabhai Vadsak
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.101 to 104, Kalthiya Industrial Estate Vibhag-1, at post Laskana, Tal Kamrej, Dist. Surat. 395006
Usage	Branch Office
Date of Lease agreement	February 21,2017
Tenure of Lease	9 Years w.e.f March 03,2017
Rent (In Rs.)	12,000 per month
Security Deposit (In Rs.)	75,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Surendra Rajbasant Dubey
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No 13, Shreenathji Society, 1st Floor, Dindoli, Surat, 394210
Usage	Branch Office
Date of Lease agreement	March 04,2016
Tenure of Lease	6 Years w.e.f March 21,2016
Rent (In Rs.)	15,000 per month
Security Deposit (In Rs.)	1,00,000
Area (Approx)	420 square feet

Particulars	Details
Name of the Lessor	Kamlesh Kumari Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.130 and 131 Dr. Ambedkar Shopping Center, Ring Road, Surat. 395002
Usage	Branch Office
Date of Lease agreement	January 05,2018
Tenure of Lease	11 Months w.e.f October 01,2017
Rent (In Rs.)	20,000 Per Months
Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Kamlesh Kumari Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.1/F, 1/B, 2/F & 2/B Dr. Ambedkar Shopping Center, Ring Road, Surat. 395002
Usage	Branch Office
Date of Lease agreement	January 05,2018

Tenure of Lease	11 Months w.e.f October 01,2017
Rent (In Rs.)	40,000 Per Months
Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Kamlesh Kumari Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.6/F, 6/B, Dr. Ambedkar Shopping Center, Ring Road, Surat. 395002
Usage	Branch Office
Date of Lease agreement	January 05,2018
Tenure of Lease	11 Months w.e.f October 01,2017
Rent (In Rs.)	20,000 Per Months
Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Kamlesh Kumari Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.16, 18, Dr. Ambedkar Shopping Center, Ring Road, Surat. 395002
Usage	Branch Office
Date of Lease agreement	January 05,2018
Tenure of Lease	11 Months w.e.f October 01,2017
Rent (In Rs.)	20,000 Per Months
Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Ms. Hema Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No. L8, Rajhans Plaza, Ghod Dhod Road, Surat. 395007
Usage	Branch Office
Date of Lease agreement	January 08,2018
Tenure of Lease	11 Months w.e.f October 01,2017
Rent (In Rs.)	20,000 per month
Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Pravin Bhai Lakshman Bhai Dhaduk Ms. Geetaben Pravinbhai Dhaduk
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.9, M K Chambers, Varachha Road, Surat
Usage	Branch Office
Date of Lease agreement	June 28,2017
Tenure of Lease	11 Months w.e.f June 21,2017
Rent (In Rs.)	7,000 per month
Security Deposit (In Rs.)	50,000
Area (Approx)	31.58 Square Feet



Particulars	Details
Name of the Lessor	Mr. Dilip Mourya
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.23, Aastik Nagar-5, Godadra Teen Rasta, Near Hari Om Circle , Godadra 395010
Usage	Branch Office
Date of Lease agreement	January 07,2016
Tenure of Lease	5 Years w.e.f February 01,2016
Rent (In Rs.)	11,800 per month
Security Deposit (In Rs.)	50,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Kesarben Chhanabhai Baraiya Chhanabhai Bhayabhai Baraiya Rameshbhai Chhanabhai Baraiya
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Plot No.25, Ratnasagar Co-op. Housing Society, opp. Varachha Road Surat 395006
Usage	Branch Office
Date of Lease agreement	December 2,2016
Tenure of Lease	9 Years January 01,2017
Rent (In Rs.)	5,10,999 per annum
Security Deposit (In Rs.)	Not Available
Area (Approx)	400 square feet

Particulars	Details
Name of the Lessor	Salim Talaksibhai Gilani
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No. 102, 103, Opp Gunjan Cinema White House Shopping Center Vapi
Usage	Branch Office
Date of Lease agreement	Not Executed. NOC is received.
Rent (In Rs.)	25,000 per month
Security Deposit (In Rs.)	100,000
Area (Approx)	500 square feet

Particulars	Details
Name of the Lessor	Sanjeev Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.G-5, City Center Building, Opp. Asha Dham School, Vapi- 396195
Usage	Branch Office
Date of Lease agreement	January 05,2018
Tenure of Lease	11 Months
Rent (In Rs.)	5,000 per month
Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	J.P Group
Name of Lessee	Bhatia Communications & Retail (India) Private Limited

Description of Property	Shop No.F20, Dharam Empire opp. Kamrej Char Rasta , Kamrej 394185
Usage	Branch Office
Date of Lease agreement	Not Executed.
Rent (In Rs.)	14,000
Area (Approx)	400 square feet

Particulars	Details
Name of the Lessor	Khushalbhair Narandas Hingu
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.6, Walinath Society, Rachana Chowk Surat. 395006
Usage	Branch Office
Date of Lease agreement	December 23, 2017
Tenure of Lease	11 Months
Rent (In Rs.)	15,000 per month
Security Deposit (In Rs.)	1,00,000
Area (Approx)	400 square feet

Particulars	Details
Name of the Lessor	Ms. Jahedabibi firaj Shaikh
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.6, Ground Floor, Navjivan Complex, Building-A Surat
Usage	Branch Office
Date of Lease agreement	May 27, 2017
Tenure of Lease	3 Years w.e.f June 01,2017
Rent (In Rs.)	8,000 per month
Security Deposit (In Rs.)	50,000
Area (Approx)	500 square feet

Particulars	Details
Name of the Lessor	Ms.Hinaben Nanu Bhai Vamja
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	G-2, Raj Shopping Centre, Gidc Katargam, Fulpada - A.k. Road, Surat - 395004
Usage	Branch Office
Date of Lease agreement	July 05,2017
Tenure of Lease	3 Years w.e.f July 01,2017
Rent (In Rs.)	10,000 per month
Security Deposit (In Rs.)	20,000
Area (Approx)	26.47 Square Meter

Particulars	Details
Name of the Lessor	Mr. Janak Patel
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	A/20, Kuber Nagar-1, Near Katargam Darwaja , Katargam, Surat. 395004
Usage	Branch Office
Date of Lease agreement	September 30, 2015
Tenure of Lease	5 Years w.e.f September 01,2015
Rent (In Rs.)	15,000 per month
Security Deposit (In Rs.)	Not Available
Area (Approx)	300 square feet

Particulars	Details
Name of the Lessor	Mr. Radheshyam Dalchand Shah
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.5-6, Shyam Market, Ground Floor, Mota Borsala Patia, Kim 394110
Usage	Branch Office
Date of Lease agreement	June 10, 2015
Tenure of Lease	3 Years w.e.f June 10,2015
Rent (In Rs.)	8,400 per month
Security Deposit (In Rs.)	40,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Majidkhan Ismailkhan Pathan Rashidkhan Ismailkhan Pathan
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No. 55 & 58, Firdosh Shopping Centre-2, Kim Char Rasta, Kim, TAL- Mangrol, Dist- Surat -394111
Usage	Branch Office
Date of Lease agreement	October 10, 2016. NOC Given
Rent (In Rs.)	12,500 per month
Security Deposit (In Rs.)	2,00,000
Area (Approx)	350 sqft

Particulars	Details
Name of the Lessor	Mr. Bharatkumar Babulal Soni
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No 23, Vibrant Mall Ground Floor Surat
Usage	Branch Office
Date of Lease agreement	August 05,2017
Tenure of Lease	3Years w.e.f August 20,2017
Rent (In Rs.)	30,000 per month
Security Deposit (In Rs.)	1,50,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Girishbhai Bhanubhai Radadiya
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.5, Madhav Darshan Society, Bhozal Ram Chowk, Sattelite Road Mota Varachha. Surat - 394101
Usage	Branch Office
Date of Lease agreement	August 29,2017
Tenure of Lease	3 Years w.e.f August 20,2017
Rent (In Rs.)	30,000 per month
Security Deposit (In Rs.)	1,50,000
Area (Approx)	94.52 Square Meter

Particulars	Details
Name of the Lessor	Mr. SANJEEV BHATIA
Name of Lessee	Bhatia Communications &Retail (India) Private Limited

Description of Property	Shop No. 4 & 5, Dr Ambedkar Shopping Centre, Ring Road, Surat -395002
Usage	Branch Office
Date of Lease agreement	January 05, 2018
Tenure of Lease	3 Years w.e.f August 20,2017
Rent (In Rs.)	10,000 per month
Security Deposit (In Rs.)	NIL
Area (Approx)	94.52 Square Meter

Particulars	Details
Name of the Lessor	Mr. Nikhil Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.15, Laxmi Villa Township Complex Talanpur Road Sachin Gidc, Sachin 394230.
Usage	Branch Office
Date of Lease agreement	January 05,2018
Tenure of Lease	Period Of 11 Months w.e.f October 01,2017
Rent (In Rs.)	25,000 per month
Security Deposit (In Rs.)	-
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr.Kiran Pravinbhai Patel
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Plot No. 51Pandol Industrial Society Limited Surat
Usage	Branch Office
Date of Lease agreement	December 09,2015
Tenure of Lease	5 Years w.e.f December 10,2015
Rent (In Rs.)	35,000 per month
Security Deposit (In Rs.)	1,50,000
Area (Approx)	19.32squre meters

Particulars	Details
Name of the Lessor	Patil Gayatri Hiralal
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.1, Laxminagar Navagam Dindoli Road, Surat - 394210
Usage	Branch Office
Date of Lease agreement	January 24,2017
Tenure of Lease	5 Years w.e.f January 01,2017
Rent (In Rs.)	16,000 per month
Security Deposit (In Rs.)	1,00,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Manojkumar Shobhalal Jain
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Plot No. 8 , Deepak Nagar , Navagam , Dindoli , Surat. 394210
Usage	Branch Office
Date of Lease agreement	January 23, 2017
Tenure of Lease	5 Years w.e.f March 01,2017

Rent (In Rs.)	25,000 per month
Security Deposit (In Rs.)	1,00,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Subhash Gangaram Chauhan
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	588 Motiram Mohallo Dudhiya Talav, opp. Ramanand Restaurant, Navsari 396445
Usage	Branch Office
Date of Lease agreement	May 3, 2017
Tenure of Lease	11 months
Rent (In Rs.)	35,000 per month
Security Deposit (In Rs.)	270,000
Area (Approx)	450 sqft

Particulars	Details
Name of the Lessor	Sagar Lavjibhai Dankhara
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.g-1, Sagar Complex, opp. Manibaug soc., Near Pipal's Bank Char Rasta, pooja hospital, katargam 395004
Usage	Branch Office
Date of Lease agreement	February 3, 2017
Tenure of Lease	11 months
Rent (In Rs.)	47,500 per month
Security Deposit (In Rs.)	140,000
Area (Approx)	600 sqft

Particulars	Details
Name of the Lessor	Mr. Ronak Modi Mr. Pratik Modi
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	1239, Ground Floor, Shree Ram Chouk Faliu, Char Rasta Killa Pardi Tal- Pardi, Dist- Valsad. 396125
Usage	Branch Office
Date of Lease agreement	October 30, 2015
Tenure of Lease	6 Years w.e.f November 01, 2015
Rent (In Rs.)	25,000 per month
Security Deposit (In Rs.)	100,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Bhavna ben Kishorebhai Patel Bhavna ben Hasmukhbhai Patel Kanchanben Vasantbhai Patel Narottambhai Mohanbhai Patel Jayantilal Shivganbhai Patel Manjuben Jayantilal Patel
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.1, Barkari, Aay Mata Road N/R Aay Mata Cowk Parvat Patia Dumbhal Road Surat, Gujarat 395010

Usage	Branch Office
Date of Lease agreement	Not Executed. NOC is given.
Rent (In Rs.)	20,000 per month
Area (Approx)	110 sqft

Particulars	Details
Name of the Lessor	Mr. Garima Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.1 & 2, Radhika tower, Dumas Road, Piplod, Surat. 394370
Usage	Branch Office
Date of Lease agreement	January 05, 2018
Tenure of Lease	11 Months w.e.f October 01,2017
Rent (In Rs.)	30,000 per month
Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Madanlal Hajariji Prajapati
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.1, Ground Floor, Plot No.12, Karmayogi Co-Operative Society, Piyush Point, Pandesara, Surat 394221
Usage	Branch Office
Date of Lease agreement	February 17,2016
Tenure of Lease	3 Years w.e.f March 01,2016
Rent (In Rs.)	20,000 per month
Security Deposit (In Rs.)	150,000
Area (Approx)	700sqft

Particulars	Details
Name of the Lessor	Mr. Harbanslal Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.242 to 243, Ground Floor, Poddar Arcade, Varachha, Surat. 395006
Usage	Branch Office
Date of Lease agreement	January 05,2018
Tenure of Lease	11 Months w.e.f October 01,2017
Rent (In Rs.)	45,000 per month
Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr.Nikhil Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.322 To 325, Ground Floor, Poddar Arcade, Varachha, Surat-395006
Usage	Branch Office
Date of Lease agreement	January 05,2018
Tenure of Lease	11 Months w.e.f October 01,2017
Rent (In Rs.)	60,000 per month
Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Kamleshkumari Bhatia
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No 18,16 Dr. Ambedkar Shopping Center , Ring Road, Surat. 395002
Usage	Branch Office
Date of Lease agreement	January 5, 2018
Tenure of Lease	11 months
Rent (In Rs.)	15,000 per month
Security Deposit (In Rs.)	NIL
Area (Approx)	350 sqft

Particulars	Details
Name of the Lessor	Ashwinbhai Ramjibhai Bambaniya
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.5, Gokulam Arcade, Sarthana Jakat Naka, Surat. 395006
Usage	Branch Office
Date of Lease agreement	October 2, 2015
Tenure of Lease	5 years
Rent (In Rs.)	15,000 per month
Security Deposit (In Rs.)	NIL
Area (Approx)	300 sqft

Particulars	Details
Name of the Lessor	Mr.Kiran Sinh Gajendra Sinh Parmar
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.A-1, SiganPore No.493, Plot No.179, Vihar Society, Singapore Char Rasta Vedroad, Surat. 395004
Usage	Branch Office
Date of Lease agreement	January 12,2017
Tenure of Lease	9 Years w.e.f January 15,2017
Rent (In Rs.)	37,500 per month
Security Deposit (In Rs.)	125,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr.Maheshkumar P. Shah
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Plot No. A/25/2/3, Udhna Main Road, Near Udhna teen Rasta, Udhna Surat. 394210
Usage	Branch Office
Date of Lease agreement	December 30,2016
Tenure of Lease	5 Years w.e.f January 01,2017
Rent (In Rs.)	45,000 per month
Security Deposit (In Rs.)	2,50,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr.Rama Ramesh Gowda Mr. Ramesh Mariyappa Gowda
Name of Lessee	Bhatia Communications & Retail (India) Private Limited

Description of Property	Shop No.B/6, Ground floor, Aditya Complex, Building B, Utran Kapodra, New Pool, Utran Surat. - 394105
Usage	Branch Office
Date of Lease agreement	May 02,2017
Tenure of Lease	3 Years
Rent (In Rs.)	35,000 per month
Security Deposit (In Rs.)	1,00,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Kaneria Ilaben Jagdishchandra
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.1 , Ground Floor, old Rang Upvan, opp.st Depo Masjid,Bechar Road, Valsad.
Usage	Branch Office
Date of Lease agreement	December 7, 2017
Tenure of Lease	3 Years
Rent (In Rs.)	48,300 per month
Security Deposit (In Rs.)	150,000
Area (Approx)	550 sqft

Particulars	Details
Name of the Lessor	Mr. Sanjeev Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.38, Pandol Shopping Center, Near Gokul Rus, Ved Road, Surat. 395004.
Usage	Branch Office
Date of Lease agreement	January 05,2018
Tenure of Lease	11 Months w.e.f October 01,2017
Rent (In Rs.)	15,000 Per Months
Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr.Sanjeev Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.108, DR . Ambedkar Shopping Center Ring Road Suart-395002
Usage	Branch Office
Date of Lease agreement	January 05,2018
Tenure of Lease	11 Months w.e.f October 01,2017
Rent (In Rs.)	10,000 per month
Security Deposit (In Rs.)	Not Avilable
Area (Approx)	Not Avilable

Particulars	Details
Name of the Lessor	Rishta Enterprise
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.2, Mani Arcade, Near j.d.Goienka School, Vesu, Surat. 395007
Usage	Branch Office
Date of Lease agreement	May 5, 2015
Tenure of Lease	11 months



Rent (In Rs.)	20,000 per month
Security Deposit (In Rs.)	75,000
Area (Approx)	280 sqft

Particulars	Details
Name of the Lessor	Mr.Dhansukhbhai Govindbhai Patel
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No. 2, Library Shopping Centre, Bank Road, Vyara - 394650
Usage	Branch Office
Date of Lease agreement	July 03,2014
Tenure of Lease	36 Months w.e.f July 01,2014
Rent (In Rs.)	20,000 per month
Security Deposit (In Rs.)	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr.Pravinbhai devshibhai patel Mr.Rameshbhai Vinubhai Goti
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No. G-14, City Center, Near Swastik Plaza Yogi Chowk,Puna to Nana Varachha Road, Surat- 395006
Usage	Branch Office
Date of Lease agreement	October 22,2016
Tenure of Lease	October 31,2018
Rent (In Rs.)	40,000 per month
Security Deposit (In Rs.)	1,50,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Sanjeev Bhatia
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No. G-24,25,26, City Center, Near Swastik Plaza Yogi Chowk,Puna to Nana Varachha Road, Surat- 395006
Usage	Branch Office
Date of Lease agreement	Not Executed. NOC is given.
Rent (In Rs.)	30,000 per month
Area (Approx)	600 sqft

Particulars	Details
Name of the Lessor	Ms.Hemlataben Kumudchand Pandya
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No. 5, Vallabh Apartment, Zunda Street, Sangrampura, Surat - 395002
Usage	Branch Office
Date of Lease agreement	August 10,2017
Tenure of Lease	5 Years w.e.f August 01,2017
Rent (In Rs.)	10,000
Security Deposit (In Rs.)	20,000
Area (Approx)	Not Available

Particulars	Details
-------------	---------

Name of the Lessor	Ms.Parulben Ashokbhai Gandhi
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.16, 17, 18, first floor, Abhilasha Arcade, Tati Thaiyya Gam, zolva, Tal-Palsana, Surat. 394315
Usage	Branch Office
Date of Lease agreement	July 15,2017
Tenure of Lease	5 Years August 01,2017
Rent (In Rs.)	26,000 per month
Security Deposit (In Rs.)	1,00,000
Area (Approx)	401.39 square meter

Particulars	Details
Name of the Lessor	Mansuri Nazmaben sabbir bhai
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.15, opp. Songadh Bus Stand, Nagar Palika Line Songadh - 394670
Usage	Branch Office
Date of Lease agreement	September 01,2017
Tenure of Lease	11 Months w.e.f September 01,2017
Rent (In Rs.)	35,000 per month
Security Deposit (In Rs.)	1,00,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Ismail Hajihabib Halai Hasinaben Ismail Halai Afzal Haroon Tijoriwala Rukaiya Haroon Tijoriwala
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	House.No.12/3156, opp. Mali Panch Vadi, Bhajiwala Pole Near Airtel Showroom Bhagal - 395003
Usage	Branch Office
Date of Lease agreement	August 17,2017
Tenure of Lease	9 Years w.e.f September 01,2017
Rent (In Rs.)	40,000 p.a
Security Deposit (In Rs.)	Not Available
Area (Approx)	156 square feet

Particulars	Details
Name of the Lessor	Ms. Niruben Biti Gilani
Name of Lessee	Bhatia Communications&Retail (India) Private Limited
Description of Property	Shop No.23, Bhanuhills Building opp. Koparali Road, Vapi - 396191
Usage	Branch Office
Date of Lease agreement	September 22,2017
Tenure of Lease	11 Months w.e.f September 01,2017.
Rent (In Rs.)	15,000 per month
Security Deposit (In Rs.)	50,000
Area (Approx)	39.30 Square meter

Particulars	Details
Name of the Lessor	Mr. Premjibhai Damjibhai Prajapati

	Mr. Ashishkumar Babulal Shah
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.7, Swaraj Ashram Complex, opp. Bardoli College, Station Road, Bardoli - 394601
Usage	Branch Office
Date of Lease agreement	September 16, 2017
Tenure of Lease	11 Months September 01, 2017.
Rent (In Rs.)	14,500 per month
Security Deposit (In Rs.)	50,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Jerambhai Bhagavanbhai Gohil
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.11 Santkrupa Society, Chhapra Bhatta, Opp. Kartik Nagar, Amroli Main Road, Surat -394107
Usage	Branch Office
Date of Lease agreement	September 29, 2017
Tenure of Lease	5 Years w.e.f. October 01, 2017
Rent (In Rs.)	20,000 per month
Security Deposit (In Rs.)	Not Available
Area (Approx)	28.24 Square Feet

Particulars	Details
Name of the Lessor	Ms. Labhuben Bhupatbhai Sudani
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Plot No.16-A, Ganganagar Society, Puna Karanj Road, Punagam, Surat-395006
Usage	Branch Office
Date of Lease agreement	October 3, 2017
Tenure of Lease	5 Years w.e.f. October 10, 2017
Rent (In Rs.)	45,000 per month
Security Deposit (In Rs.)	1,50,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Harshadbhai Babubhai Jariwala
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No.9,10,11, Shree Ambika Shopping Center, Amitabh Bachchan's Pipodra GIDC Near Patanjali Store, Pipodra Surat-394110
Usage	Branch Office
Date of Lease agreement	December 08, 2017
Tenure of Lease	11 Months w.e.f. October 15, 2017
Rent (In Rs.)	7,000 per month
Security Deposit (In Rs.)	100,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Nareshbhai Ramanbhai Bhandari
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Gram Panchayat No.5, Main Bazar, Buhari Village, Tal Volod, Dist. Tapi - 394630

Usage	Branch Office
Date of Lease agreement	November 11,,2017
Tenure of Lease	11 Months w.e.f November 11,,2017
Rent	5,000 per month
Security Deposit	Not Available
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Mr. Rajubhai Maganbhai Rabari
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.1 & 2, Ground Floor Block No.156, Laskana, Kamrej Surat. - 395008
Usage	Branch Office
Date of Lease agreement	October 17,2017
Tenure of Lease	5 Years w.e.f November 01,2017
Rent	18,000 per month
Security Deposit	1,50,000
Area (Approx)	560 square feet

Particulars	Details
Name of the Lessor	Mr. Ajay T Bansal Mr. Jayesh K Bhesaniya Mr. Navneet S. Patel Mr. Dhaval D Patel Mr. Jignesh D Patel
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.7 / 3, Ground Floor Riddhi Plaza, Kavas Patia, Hazira Road, Surat - 394270
Usage	Branch Office
Date of Lease agreement	November 02,2017
Tenure of Lease	5 Years w.e.f November 15,2017
Rent (In Rs.)	43,000 per month
Security Deposit	1,71,000
Area (Approx)	Not Available

Particulars	Details
Name of the Lessor	Ms. Jayshreeben Jayantilal Paaswala
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No.- ug-27, Ground Floor Shah Market, Kadodra, Surat.
Usage	Branch Office
Date of Lease agreement	November 17,2017
Tenure of Lease	7 Years w.e.f November 25,2017
Rent (In Rs)	30,000 per month
Security Deposit	1,11,000
Area (Approx)	1067.22 square meter

Particulars	Details
Name of the Lessor	Amitaben Shethna Pravinbhai Shethna
Name of Lessee	Bhatia Communications &Retail (India) Private Limited
Description of Property	Shop No. 7 Silver Plaza, Nr. Shriram Petrol Pump, Anand Mahal Road, Adajan, Surat. 395009

Usage	Branch Office
Date of Lease agreement	Not Executed. NOC is given.
Rent	25,000
Area (Approx)	550 sqft

Particulars	Details
Name of the Lessor	Mr. Surendra Rajbasant Dubey
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No. 13, Ground Floor, Shreenathji Society, Nilgiri Road, Nr. Sapna Pan Center, Dindoli, Surat
Usage	Branch Office
Date of Lease agreement	March 04, 2016
Tenure of Lease	6 Years w.e.f March 21, 2016
Rent	15,000
Security Deposit	1,00,000
Area (Approx)	420 square feet

Particulars	Details
Name of the Lessor	Umesh Bhai Shivcharan Agrawal
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No. 3, Ground Floor, Shyam Complex, Singanpur, Surat.
Usage	Branch Office
Date of Lease agreement	December 7, 2017
Tenure of Lease	11 months
Rent	20,000
Security Deposit	60000
Area (Approx)	430 sqft

Particulars	Details
Name of the Lessor	Mr. Sanjeev Bhatia
Name of Lessee	Bhatia Communications & Retail (India) Private Limited
Description of Property	Shop No. L5 To L7, Rajhans Plaza, Ghod Dhod Road, Surat-395007
Usage	Branch Office
Date of Lease agreement	January 05, 2018
Tenure of Lease	11 Months w.e.f October 01, 2017
Rent	60,000
Security Deposit	Not Available
Area (Approx)	Not Available

## COLLABORATION

We have not entered into any technical or other collaboration.

## EXPORT POSSIBILITY AND OBLIGATION

Current we don't have any export obligations.

## INSURANCE

At present, we maintain insurance for standard fire and special perils policy, burglary insurance policy, etc. which provides insurance cover against loss or damage by fire, earthquake and shock. Although, we attempt to limit and

mitigate our liability for damages arising from negligent acts, errors or omissions through contractual provisions and/or insurance, the indemnities set forth in our contracts and/ or our insurance may not be enforceable in all instances or the limitations of liability may not protect us from entire liability for damages.

Below are the details of Insurance policies covered by our company:

Name Of The Insurance Company	Name Of Insured	Type Of Policy	Validity Period	Description Cover Under The Policy	Policy No.	Sum Insured	Premium Paid
Tata Aig General Insurance Company Limited	Bhatia Communications And Retail India Pvt Ltd	Standard Fire & Special Perils Policy and Money Policy	00.00 Hours of December 31, 2017 to Midnight of December 30, 2018	<ol style="list-style-type: none"> <li>1. All Kind of Stock in Trade, Packing. Materials Stock Held in Trust,etc.</li> <li>2. Business, Furniture Electrical, A/c Computer etc.</li> <li>3. Building Including Boundary Wall &amp; All type of Civil Structure in the Premises.</li> <li>4. All kind of Stock,Stock in Trade,Packing Materials, Stock Held in Trust etc.</li> <li>5. Money In General transit</li> <li>6. Money in Bank Transit.</li> <li>7. Money During Day Time.</li> <li>8. Money in locked Safe</li> </ol>	2200161114	<b>A.</b> Fire Building and/or Contents Rs. 2677.50 Lakhs <b>B.</b> Burglary- Rs. 2380 Lakhs <b>C.</b> Money Insurance- Rs. 777.50 Lakhs	Rs. 354532

## **KEY INDUSTRY REGULATIONS AND POLICIES**

We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. The regulations set out below are not exhaustive and are only intended to provide general information to the bidders. The company is engaged into retail and whole sell distribution business of mobile handsets, tablets, data-cards, mobile accessories, mobile related products etc.. Set further below are certain general legislations and regulations which govern this industry in India.

We have our owned 72 retail outlets chain located all over the South Gujarat region including Surat, Vapi, Valsad, Navsari, Vyara etc. We also sell cellular mobile devices and accessories of all brand through our 24 franchisee retail chain dealers located in the South Gujarat region. For further details, see "Business Overview" on page no. 65.

### **A. STATUTORY LEGISLATIONS**

#### **1. The Companies Act, 1956**

The Act deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act, 1956 primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

#### **2. 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 vide its notification dated September 12, 2013 and March 26, 2013 notified a total of 283 Sections of the Companies Act, 2013, which have become effective as on the date of this Prospectus. 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.

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

#### **3. Information Technology Act, 2000**

The Information Technology Act, 2000 ("the IT Act") and amendment thereof and rules made there under was enacted with the purpose of providing legal recognition to electronic transactions and facilitating electronic filing of documents. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cyber crimes, including unauthorized access to computer systems, unauthorized modification to the contents of computer systems, damaging computer systems, the unauthorized disclosure of confidential information and computer fraud. The IT Act regulates Information Technology i.e. it governs information storage, processing and communication. The Act provides legal recognition of electronic records and electronic signatures, their use, retention, attribution and security. Penalties are provided for cyber crimes which include tampering with computer source document and electronic publishing of obscene information, in addition to provision of compensation in certain cases.

#### **4. Shops and Establishments legislations.**

Our 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.

#### **5. Indian Patents Act, 1970**

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

#### **6. The Copyright Act, 1957**

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

#### **7. Trade Marks Act, 1999**

In light of the changes in trade and commercial practices, globalisation of trade, the need for simplification and harmonisation of trademark registration systems etc., the Indian Parliament undertook a comprehensive review of the Trade and Merchandise Marks Act, 1958 and replaced the same with the a new legislation viz. the Trade Marks Act, 1999. This Act makes trademarks law compatible with TRIPs and also harmonises it with international systems and practices. The Trade Marks Act, 1999 (the Trade Marks Act) provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

### **C. TAX RELATED LEGISLATIONS**

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

Income Tax Act, 1961 is applicable to every Domestic/Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its Residential Status and Type of Income involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, and Minimum Alternative Tax and like are also required to be complied by every Company.

#### **9. The Goods and Services Tax Act, 2017**

The GST Act levies tax on supply of goods and services throughout India to replace multiple taxes levied by the Central and State Governments on production, supply and sale of goods and providing of services in India. The GST Act is applicable from July 1, 2017 and bound together 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. Under GST, goods and services are taxed under five different categories that are 0%, 5%, 12%, 18%, 28%. GST is levied on all transactions such as supply, transfer, purchase, barter, lease, or import of goods and/or services. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For interstate 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. Goods and Services Tax (GST) is considered to be the biggest tax reform in India since independence. It will help realise the goal of “One Nation-One Tax-One Market.” GST is expected to benefit all the stakeholders – industry, government and consumer.



## **D. EMPLOYMENT AND LABOUR LAWS**

### **10. Industrial (Development and Regulation) Act, 1951**

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

### **11. The 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 to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

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

The Payment of Gratuity Act, 1972 (Act) 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. A terminal Lump sum benefit paid to a worker when he or she leaves employment after having worked for the employer for a prescribed minimum number of years is referred to as "gratuity" The provisions of the Act are applicable to all the factories. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A and thereafter whenever there is any change in the name, address or change in the nature of the business of the establishment a notice in Form B has to be filed with the authority. The Employer is also required to display an abstract of the Act and the rules made there-under in Form U to be affixed at the or near the main entrance. Further, every employer has to obtain insurance for his Liability towards gratuity payment to be made under Payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

### **13. Payment Of Bonus Act, 1965**

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus to the employees specified under the Act. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also require for the submission of Annual Return in the prescribed form (FORM D) to be submitted by the employer within 30 days of payment of the bonus to the Inspector appointed under the Act.

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

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

### **15. The Employees Pension Scheme, 1995**

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

#### **16. Employees’ State Insurance Act, 1948 (the “ESI Act”)**

It is an act to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

#### **17. The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957**

The Industrial Disputes Act, 1947 (“ID Act”) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman’s services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, layoffs and retrenchment.

#### **18. The Employees’ Compensation Act, 1923**

The Employees’ Compensation Act, 1923 (“EC Act”) has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### **E. OTHER APPLICABLE LAWS**

#### **19. 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.

#### **20. 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.

## **21. The Gujarat State Tax on Professions, Trade, Callings and Employments Act, 1976**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. The Gujarat State Tax on Professions, Traders, Callings and Employments Rules, 1976 have also been notified by the Government.

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

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

## **23. The Child Labour (Prohibition and Regulation) Act, 1986**

It outlines where and how children can work and where they cannot. The provisions of the act are meant to be acted upon immediately after the publication of the act, except for part III that discusses the conditions in which a child may work.

The Act defines a child as any person who has not completed his fourteen year of age. Part II of the act prohibits children from working in any occupation listed in Part A of the Schedule; for example: Catering at railway establishments, construction work on the railway or anywhere near the tracks, plastics factories, automobile garages, etc. The act also prohibits children from working in places where certain processes are being undertaken, as listed in Part B of the Schedule; for example: beedi making, tanning, soap manufacture, etc.

In additions to the above, many other Acts are applicable to us, such as

- Consumer Protection Act 1986
- Specific Relief Act 1963
- Product Patent act 2005
- Foreign Exchange Management Act, 2000
- DOT (Department of Telecommunication) Regulations
- The Arbitration and Conciliation Act, 1996
- The Code of Civil Procedure, 1908
- The Information Technology Rules

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as "Bhatia Communications & Retail (India) Private Limited" under the provision of the Companies Act, 1956 vide certificate of incorporation dated March 25, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Bhatia Communications & Retail (India) Limited" and fresh certificate of incorporation dated January 17, 2018 was issued by the Assistant ROC, Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U32109GJ2008PLC053336.

We are engaged into retail and whole sell distribution business of mobile handsets, tablets, data-cards, mobile accessories, mobile related products etc. We sell smart mobile handsets of all the brands including Apple I-Phone, Samsung, OPPO, GIONEE, VIVO etc, mobile related products, tablets, data cards, accessories under one roof through our owned 72 retail outlets chain located all over the South Gujarat region including Surat, Vapi, Valsad, Navsari, Vyara etc. We also sell cellular mobile devices and accessories of all brand through our 24 franchisee retail chain dealers located in the South Gujarat region.

The existing business was started back in 2008 with a single shop by taking over the running business of partnership firm M/s. Bhatia Watch & Gift and at present under the Brand name of Bhatia Communication/Bhatia Mobile - "The Mobile One stop Shop" the same has expanded its space to more than 96 shops in South Gujarat including franchisees. In the past years we were importing the electronic products but at present we have discontinued the same.

Our Company also provide credit/EMI facilities to its customers for buying our products for which our company has tied up with major leading credit houses like Bajaj Finserv, Capital First etc. Our Company in order to continue relationship with our valuable customers, we also provide after sale services related to mobile handsets and tablets in our own retail and franchisee outlets. Our Company also enjoys warranty on mobiles and tablets components from its suppliers company as back to back. Generally, in case of defect the company gets free replacement or servicing from suppliers company.

### Changes in Registered Office of the Company since incorporation

The Registered Office of the Company is situated at 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat, Gujarat - 395002.

There is no change in our registered office since Incorporation.

### Amendments to the Memorandum of Association

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

Date of Amendment	Particulars
March 15, 2013	Increased in authorized capital from Rs. 10,00,000 to Rs. 60,00,000
September 30, 2017	Increased in authorized capital from Rs. 60,00,000 to Rs. 7,00,00,000
September 30, 2017	Conversion of Preference Share Capital into Equity Share Capital
January 17, 2018	Converted Company from Private Limited to Public Limited

### Major Events

The major events of the company since its incorporation in the particular financial year are as under:

Financial Year	Events
----------------	--------

2008-09	Our company was incorporated and commenced the business
2013-14	Company has opened its 50th Store in Surat.
2016-17	Every month average 3 to 4 new branches or franchises are being opened.
2016-17	Received Certificate of Recognition form Times Retail & Education Icons 2016-17 in the Retail Mobile Store Category
2016-17	Received Best ALDIPOS Partner for quarter July - September ₹17 from Home Credit
2017-18	Adoption of New Sets of Articles of Association.
2017-18	Converted Company from Private Limited to Public Limited

### **Subsidiaries/Holdings of the company**

Our Company does not have any subsidiary company and company is not having any holding company, as on date of filing of the Prospectus.

### **Injunction and restraining order**

Our company is not under any injunction or restraining order, as on date of filing of the Prospectus.

### **Managerial Competence**

For managerial Competence please refer to the section "Our management" on Page no. 101 of the prospectus.

### **Acquisitions / Amalgamations / Mergers/ Revaluation of assets**

No acquisitions / amalgamations / mergers or revaluation of assets have been done by the company.

### **Total number of Shareholders of Our Company**

As on the date of filing of this Prospectus, the total numbers of equity share holders are 7. For more details on the shareholding of the members, please see the section titled "Capital Structure" at page no. 34.

### **Main Objects as set out in the Memorandum of Association of the Company**

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

1. To Take over the running business of Partnership Firm M/s Bhatia Watch & Gift
2. To carry on the business of traders, manufacturers, importers, exporters, assemblers, hirers and repairers of and / or dealers of all kinds of electronic items, Mobile phones, communication devices, computers, data processing equipments, house hold products, printing machinery, hardware, software, computer products and equipments that the Company may think fit and all and every kind and description of or similar transactions and the sale, repairs and maintenance of any goods articles or commodities of all and every kind.

### **Shareholders' Agreements**

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

### **Other Agreements**

As on the date of this Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Prospectus.

**Strategic Partners**

Our Company is not having any strategic partner as on the date of filing this Prospectus.

**Financial Partners**

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Prospectus.

## OUR MANAGEMENT

Under our Articles of Association, our Company is required to have not less than three (3) directors and not more than fifteen (15) directors. Our Company currently has 6 directors on Board of which 3 (Three) are Executive and Non Independent directors and 3 (Three) are Non Executive and Independent Directors they are:

1. Mr. Sanjeev Bhatia - Managing Director
2. Mr. Nikhil Bhatia - Whole Time Director
3. Mr. Harbanslal Bhatia - Whole Time Director
4. Mr. Arpit Jain - Independent Director
5. Mr. Rachit Narang - Independent Director
6. Ms. Rashmi Arora - Independent Director

The Following table sets forth details regarding the Board of Directors as of the date of this Prospectus:-

Name, Father's Name, Address, Age, Designation, Status, DIN , Occupation and Nationality	Qualification & No. of Years of Experience	Date of Appointment and Term	Other Directorships
<b>Name</b> : Mr. Sanjeev Bhatia <b>Father's Name:</b> Mr. Harbanslal Bhatia <b>Address</b> : 35, Subhash Nagar Society Ghod dod Road, Surat, Gujarat, 395007, India <b>Age</b> : 39 years <b>Designation</b> : Managing Director <b>Status</b> :Executive & Non Independent Director <b>DIN</b> : 02063671 <b>Occupation</b> : Business <b>Nationality</b> : Indian	<b>B.Com</b>  <b>Experience:</b> More 18 years of experience in the Mobile Retail Marketing.	<b>March 25, 2008</b>  <b>Terms:</b> Appointed as Managing Director w.e.f January 5, 2018 for a period of 5 years	1. SNV Distributors Private Ltd. 2. E Parisar Tech Private Ltd.
<b>Name</b> : Mr. Nikhil Bhatia <b>Father's Name:</b> Mr. Harbanslal Bhatia <b>Address</b> : 35, Subhash Nagar Society Ghod dod Road, Surat, Gujarat, 395007, India <b>Age</b> : 35 years <b>Designation</b> : Whole Time Director <b>Status</b> : Executive & Non Independent Director <b>DIN</b> : 02063706 <b>Occupation</b> : Business <b>Nationality</b> :Indian	<b>H.S.C.</b>  <b>Experience:</b> More 8 years of experience in the Mobile Retail Marketing.	<b>April 01, 2008</b>  <b>Terms:</b> Appointed as Whole Time Director w.e.f January 5, 2018 for a period of 5 years	SNV Distributors Private Ltd.
<b>Name</b> : Mr. Harbanslal Bhatia <b>Father's Name:</b> Mr. Brijlal Bhatia <b>Address</b> : 35, Subhash Nagar Society Ghod dod Road, Surat, Gujarat, 395007, India <b>Age</b> : 66 years <b>Designation</b> : Whole Time Director <b>Status</b> :Executive & Non Independent Director <b>DIN</b> : 02063751 <b>Occupation</b> : Business <b>Nationality</b> : India	<b>S.S.C.</b>  <b>Experience:</b> More than 30 years of experience in the Advertising & Marketing.	<b>March 25, 2008</b>  <b>Terms:</b> Appointed as Whole Time Director w.e.f January 5, 2018 for a period of 5 years	SNV Distributors Private Ltd.
<b>Name</b> : Mr. Arpit Jain <b>Father's Name:</b> Mr. Arunbhai Jain <b>Address</b> : 9002, Sheetal Appartment, B/h SBI Citylight, Surat, Gujarat - 395007, India. <b>Age</b> : 34 years	<b>B.B.A.</b>  <b>Experience:</b> More than 10 years of Experience in Event Planner/	<b>January 05, 2018</b>  <b>Term:</b> w.e.f January 05, 2018 for a	-

<b>Designation</b> : Director <b>Status</b> : Independent Director <b>DIN</b> : 08044841 <b>Occupation</b> : Professional <b>Nationality</b> : Indian	management.	period of 5 years	
<b>Name</b> : Mr. Rachit Narang <b>Father's Name:</b> Mr. Naresh Narang <b>Address</b> : 39, 1 <sup>st</sup> Floor, Jantanagar, Opp. Bank of Baroda, Bharat Road, Surat, Gujarat- 395 007, India. <b>Age</b> : 24 years <b>Designation</b> : Director <b>Status</b> : Independent Director <b>DIN</b> : 08044845 <b>Occupation</b> : Professional <b>Nationality</b> : Indian	H.S.C.  <b>Experience:</b> more than 5 years of experience in the field of textiles.	January 05, 2018  <b>Term:</b> w.e.f January 05, 2018 for a period of 5 years	-
<b>Name</b> : Ms. Rashmi Arora <b>Father's Name:</b> Mr. Ashok Tandan <b>Address</b> : A 301, Opera House, Nr. Agrasen Bhavan, City Light Road, Surat, Gujarat - 395 007, India. <b>Age</b> : 39 years <b>Designation</b> : Director <b>Status</b> : Independent Director <b>DIN</b> : 07584412 <b>Occupation</b> : Professional <b>Nationality</b> : Indian	B.S.C  <b>Experience:</b> More than 10 years in Designing of products	January 05, 2018  <b>Term:</b> w.e.f January 05, 2018 for a period of 5 years	Asenext India Private Limited

As on the date of the Prospectus:

- A. None of the above mentioned Directors are on the RBI List of willful defaulters.
- B. 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 from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filling of this Prospectus.
- E. None of our Directors are/were directors of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.

#### Relationship between the Directors

Mr. Sanjeev Bhatia and Mr. Nikhil Bhatia are sons of Mr. Harbanslal Bhatia except this None of the Directors of our company are relatives of each other, in terms of the Companies Act, 2013.

#### Arrangement and understanding with major shareholders, customers, suppliers and others

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors was selected as director or member of senior management.



## **Service Contracts**

None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company.

Except statutory benefits upon termination of their employment in our Company or retirement, No officer of our Company, including the directors and key Managerial personnel are entitled to any benefits upon termination of employment.

## **Borrowing Powers of the Board of Directors**

Subject to the provisions of Section 180(1)(c) of the Companies Act, 2013 and our Articles authorizes our Board, to raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. The shareholders of the Company, through by passing a resolution in General Meeting held on September 30, 2014 authorised our Board to borrow monies together with monies already borrowed by us, in excess of the aggregate of the paid up capital of the Company and its free reserves, not exceeding Rs. 20 crores at any time.

## **Brief Profiles of Our Directors**

1. Mr. Sanjeev Bhatia
2. Mr. Nikhil Bhatia
3. Mr. Harbanslal Bhatia
4. Mr. Arpit Jain
5. Mr. Rachit Narang
6. Ms. Rashmi Arora

### **Sanjeev Bhatia**

Sanjeev Bhatia, aged 39 years, is a Managing Director of the Company. He is promoter Director of the Company. He is having vast experience of 18 years of retail and wholesale business of consumable electronic goods including mobile, mobile accessories etc and as well as has knowledge regarding every If's and buts relating to the Company. He plays a vital role in motivating employees of the Company to come forward with their new and creative ideas of their own. He is looking after finance, Franchise Outlet and General administration functions of the Company. He also, plays vital role in educating his team about the strategic business policies and makes sure that the Company run towards sheer success. In addition, he also looks after all the statutory and timely legal compliances applicable to the Company.

### **Harbanslal Bhatia**

Harbanslal Bhatia, aged 65 years, is a Whole Time Director of the Company. He is promoter Director of the Company. He has been awarded National award for the empowerment of persons with disabilities – 2014 in public recognizing of his outstanding performance as the most efficient employee/self employed person in the category locomotor disability by the honorable president of India on December 8, 2014. He is having vast experience of more than 30 years in the field of marketing and advertisement. He takes the lead in critical business discussions, negotiations, and presentations. He sources the information related to different products, companies, consumers, markets, people, services etc. Later on, he analyse and process the said information's for the development of the business and as a result, he converts the said information into profit making opportunity. He plays a vital role in marketing, branding and non conventional advertising of our products.

### **Nikhil Bhatia**

Nikhil Bhatia, aged 35 years, is a Whole Time Director of the Company. He is promoter Director of the Company. He is having vast experience of 8 years in the field of finance and sales. He looks after sales, purchase, finance and account department of the Company. He is proficient in business development and regularly explores the niche market for expansion and widening the business area.

**Rachit Narang**

Rachit Narang, aged 24 years, is an independent director of our company. He is engaged in the business of textile for last 5 years and is having dynamic management skills. He is good at finding practical solutions to various management problems and is an arch trouble shooter with innovative ideas.

**Arpit Jain**

Arpit Jain, aged 34 years, is an independent director of our company. He is Bachelor of Business Administration. He is a recognised and renowned event planner of Surat City. By his in depth knowledge of human behavior and marketing skills he has reached at heights of his profession in a short span of 10 years.

**Rashmi Arora**

Rashmi Arora, aged 39 years, is an independent director of our company. She is Science graduate. She is in field of designing for last 10 years in leading industry of Surat. She has acumen for designing of products and display of products be it textiles or mobile phones.

**Compensation and Benefits paid to the Managing Director and Whole Time Directors are as follows:**

Mr. Sanjeev Bhatia has been appointed as the Managing Director of the company with effect from January 05, 2018 for a period of five years.

**The remuneration payable is as follows:**

<b>Name</b>	Mr. Sanjeev Bhatia
<b>Date of Agreement</b>	January 05, 2018
<b>Period</b>	5 years
<b>Salary</b>	Rs. 1,50,000/- per month
<b>Remuneration paid in 2016-17</b>	Rs.6.00 Lakhs

Mr. Nikhil Bhatia has been reappointed as the Whole Time Director of the company with effect from January 05, 2018 for a period of five years.

**The remuneration payable is as follows:**

<b>Name</b>	Mr. Nikhil Bhatia
<b>Date of Agreement</b>	January 05, 2018
<b>Period</b>	5 years
<b>Salary</b>	Rs. 1,50,000/- per month
<b>Remuneration paid in 2016-17</b>	Rs. 6.00 Lakhs

Mr. Harbanslal Bhatia has been reappointed as Whole Time Director of the company with effect from January 05, 2018 for a period of Five years.

**The remuneration payable is as follows:**

<b>Name</b>	Mr. Harbanslal Bhatia
<b>Date of Agreement</b>	January 05, 2018
<b>Period</b>	5 years
<b>Salary</b>	Rs. 1,50,000/- per month
<b>Remuneration paid in 2016-17</b>	Rs. 6.00 Lakhs

**Sitting fees payable to Non Executive Directors.**

We have not paid any sitting fees to our Non- Executive Directors during the last financial year.

**Shareholding of Directors:**

The shareholding of our directors as on the date of this Prospectus is as follows:

Sr. No.	Name of Directors	No. Equity Shares held	Category/ Status
1.	Mr. Sanjeev Bhatia	23,80,000	Managing Director
2.	Mr. Nikhil Bhatia	36,427	Whole Time Director
3.	Mr. Harbanslal Bhatia	23,80,000	Whole Time Director
4.	Mr. Arpit Jain	-	Independent Director
5.	Mr. Rachit Narang	-	Independent Director
6.	Ms. Rashmi Arora	-	Independent Director

**Interest of Directors**

All the non executive directors of the company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or Committee thereof as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Executive Directors are interested to the extent of remuneration paid to them for services rendered to the company.

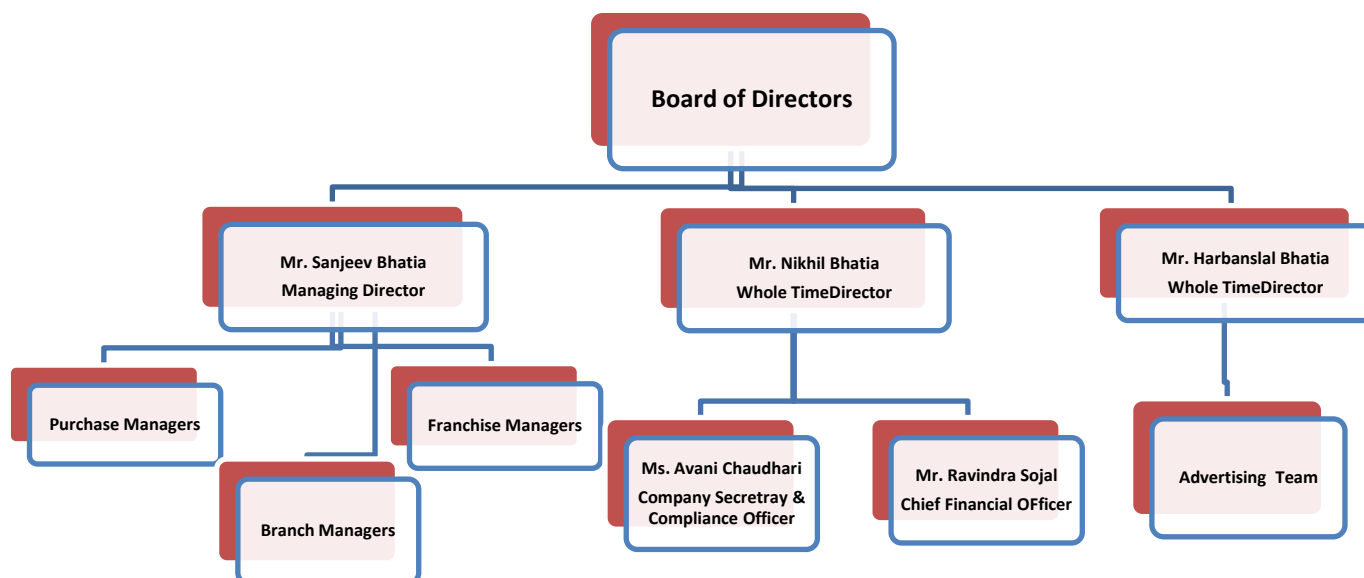
Except as stated under Related Party Transaction on page no. 156 of this Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Prospectus in which our directors are interested directly or indirectly.

**Changes in the Board of Directors during the Last Three Years**

Name of Directors	Date of Appointment	Date of change in Designation	Date of Cessation	Reason for the changes in the board
Mr. Sanjeev Bhatia	March 25, 2008	January 05, 2018	-	Changes in designation from Whole Time Director to Managing Director
Mr. Nikhil Bhatia	April 01, 2008	January 05, 2018	-	Reappointed as a Whole Time Director
Mr. Harbanslal Bhatia	March 25, 2008	January 05, 2018		Reappointed as a Whole Time Director
Mr. Arpit Jain	January 05, 2018	-	-	Appointed as a Independent Director
Mr. Rachit Narang	January 05, 2018	-	-	Appointed as a Independent Director
Ms. Rashmi Arora	January 05, 2018	-	-	Appointed as a Independent Director
Mrs. Garima Bhatia	April 01, 2008	-	January 05, 2018	Resigned as a Whole Time Director

**Management Organization Structure**

The Management Organization Structure of the company is depicted from the following chart:



## Corporate Governance

In additions to the applicable provisions of the Companies Act, 2013, with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will also be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchanges.

Our Company has complied with the corporate governance code in accordance with the provisions of the SEBI Listing Regulations, particularly, in relation to appointment of independent directors to our Board and constitution of an audit committee, and a shareholders' grievance committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

## Composition of Board of Directors

Currently the Board has Six Directors. In compliance with the requirements of Regulation 17 of SEBI Listing Regulation, our Company has Three Executive Directors and Three Independent Directors on the Board.

Composition of Board of Directors is set forth in the below mentioned table:

Sr. No	Board of Directors	Designation	DIN
1.	Mr. Sanjeev Bhatia	Managing Director	02063671
2.	Mr. Nikhil Bhatia	Whole Time Director	02063706
3.	Mr. Harbanslal Bhatia	Whole Time Director	02063751
4.	Mr. Arpit Jain	Independent Director	08044841
5.	Mr. Rachit Narang	Independent Director	08044845
6.	Ms. Rashmi Arora	Independent Director	07584412

## Constitutions of Committees

Our company has constituted the following Committees of the Board:

- 1. Audit Committee.**
- 2. Stakeholders Relationship Committee.**
- 3. Nomination and Remuneration Committee.**

***1. Audit Committee:***

Our Company in pursuant to section 177 of the Companies Act, 2013 constituted Audit Committee in the Board Meeting held on January 05, 2018.

The members of the Audit Committee are as follows:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Mr. Arpitkumar Jain	Chairman	Non Executive and Independent
Mrs. Rashmi Kapil Arora	Member	Non Executive and Independent
Mr. Sanjeev Harbanslal Bhatia	Member	Managing Director

The Chairman of the Committee will be decided by the members of the committee. The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

**Terms of Reference**

The terms of reference of Audit Committee shall be as under:

**Role of Audit Committee**

The scope of audit committee shall include, but shall not be restricted to, the following;

- 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;
- 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;
- Scrutiny of inter-corporate loans and investments;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

9. 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;
10. Discussion with internal auditors any significant findings and follow up there on;
11. 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;
12. 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;
13. 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;
14. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
15. 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;
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
17. Valuation of undertakings or assets of the company, where ever it is necessary.
18. Evaluation of internal financial controls and risk management systems;
19. Monitoring the end use of funds raised through public offers and related matters.

### **Review of information by Audit Committee**

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

### **Powers of the Audit Committee:**

The audit committee shall have the powers, which should include the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employees;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

## **2. Stakeholders Relationship Committee**

Our Company in pursuant to section 178 of the Companies Act, 2013 constituted Stakeholders Relationship Committee in the Board Meeting held on January 05, 2018.

The members of the Stakeholders Relationship Committee are as follows:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Mrs. Rashmi Kapil Arora	Chairperson	Non Executive and Independent
Mr. Arpitkumar Jain	Member	Non Executive and Independent
Mr. Sanjeev Harbanslal Bhatia	Member	Managing Director

*Our Company Secretary and Compliance officer will act as the secretary of the Committee.*

The committee shall be governed by the "Terms of Reference" of the Stakeholders Relationship Committee as under and will carry out the following:-

### Terms of Reference

- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
- Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.,
- Issue duplicate/split/consolidated share certificates;
- Dematerialization/Rematerialization of Share
- Review of cases for refusal of transfer / transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- Such other matters as may from time to time are required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

### 3. Nomination and Remuneration Committee

Our Company in pursuant to section 178 of the Companies Act, 2013 constituted Nomination and Remuneration Committee in the Board Meeting held on January 05, 2018.

The members of the Nomination and Remuneration Committee are as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Arpitkumar Jain	Chairman	Non Executive and Independent
Mrs. Rashmi Kapil Arora	Member	Non Executive and Independent
Mr. Rachit Narang	Member	Non Executive and Independent

*Our Company Secretary and Compliance officer will act as the secretary of the Committee.*

The committee shall be governed by the "Terms of Reference" of the Nomination and Remuneration Committee as under and will carry out the following:-

#### The terms of reference:

- 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;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Devising a policy on Board diversity, if any;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.

### Our Key Management Personnel

The Key Managerial Personnel of our Company other than our Directors are as follows:-

Name, Designation and Date of Joining	Qualification	Previous Employment	Overall Experience	Remuneration paid In previous year (2016-17) ( ₹ in Lakhs)
Ms. Avani Chaudhari Company Secretary & Compliance Officer D.O.J-11/11/2017	B.com, CS	-	-	-

Mr. Ravindra Sojal Chief Financial Officer D.O.J- 05/01/2018	B.A.	-	10 years	2.70
--	------	---	----------	------

**Notes:**

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel have been recruited.
- None of our Key Managerial Personnel has been granted any benefits in kind from our Company, other than their remuneration.
- None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company.

**Relationship of Key Managerial Personnel**

None of the Key Managerial Personnel of our Company are related to each other.

**Shareholding of the Key Management Personnel**

None of our Key Managerial Personnel holds Equity Shares in our Company as on the date of filing of this Prospectus.

**Bonus or Profit sharing plan for the Key Management Personnel**

Our Company does not have any bonus or profit sharing plan for our Key Managerial personnel.

**Changes in the Key Management Personnel**

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Prospectus, otherwise than by way of retirement in due course.

Name	Designation	Date of Appointment	Date of Cessation	Reason of Changes
Ms. Avani Chaudhari	Company Secretary & Compliance Officer	November 11, 2017	-	Appointment
Mr. Ravindra Sojal	Chief Financial Officer	January 05, 2018	-	Appointment

**Employee Stock Option Scheme**

As on the date of filing of Prospectus company does not have any ESOP Scheme for its employees.

**Relation of the Key Managerial Personnel with our Promoters/ Directors**

None of the Key Managerial Personnel of our company are relatives to our Promoter / Director, in terms of the Companies Act, 2013.

**Payment of Benefit to Officers of Our Company (non-salary related)**

Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.



## OUR PROMOTER AND PROMOTER GROUP

**The Promoters of Our Company are: Mr. Sanjeev Bhatia, Mr. Nikhil Bhatia & Mr. Harbanslal Bhatia**

### **The Individual Promoters:**

#### **Mr. Sanjeev Bhatia**



Educational Qualification	B.COM
Permanent Account Number	AFIPB0972M
Passport Number	Z1861131
Driving License	05/ST/96/DL189917
Aadhaar Card No.	9353 3105 3906
Name of Bank	HDFC BANK
Bank Account Number	02511530020304
Voter ID	DPB7148133
Residential Address	35, Subhash Nagar Society Ghod dod Road, Surat, Gujarat, 395007, India.

Mr. Sanjeev Bhatia, aged 39 years, is a Managing Director of the Company. He is promoter Director of the Company. He is having vast experience of 18 years of retail and wholesale business of consumable electronic goods including mobile, mobile accessories etc and as well as has wide knowledge regarding every If's and buts relating to the Company. He plays a vital role in motivating employees of the Company to come forward with their new and creative ideas of their own. He is looking after finance, Franchise Outlet and General administration functions of the Company. He also, plays vital role in educating his team about the strategic business policies and makes sure that the Company run towards sheer success. In addition, he also looks after all the statutory and timely legal compliances applicable to the Company.

#### **Mr. Nikhil Bhatia:**



Educational Qualification	H.S.C.
Permanent Account Number	AFIPB0971J
Passport Number	Z1930356
Driving License	05/ST/96/DL211383
Aadhaar Card No.	3088 9033 8445
Name of Bank	HDFC BANK
Bank Account Number	02511530020296

Voter ID	GPB7145923
Residential Address	35, Subhash Nagar Society Ghod dod Road, Surat, Gujarat, 395007, India.
Mr. Nikhil Bhatia, aged 37 years, is a Whole Time Director of the Company. He is promoter Director of the Company. He is having vast experience of 8 years in the field of finance and sales. He looks after sales, purchase, finance and account department of the Company. He is proficient in business development and regularly explores the niche market for expansion and widening the business area.	

**Mr. Harbanslal Bhatia:**



Educational Qualification	S.S.C.
Permanent Account Number	ABBPB7976Q
Passport Number	J5098178
Driving License	-
Aadhaar Card No.	3659 3322 1122
Name of Bank	Rajkot Nagarik Sahakari Bank Limited
Bank Account Number	051003800000005
Voter ID	-
Residential Address	35, Subhash Nagar Society Ghod dod Road, Surat, Gujarat, 395007, India.
Mr. Harbanslal Bhatia, aged 65 years, is a Whole Time Director of the Company. He is promoter Director of the Company. He has been awarded National award for the empowerment of persons with disabilities – 2014 in public recognizing of his outstanding performance as the most efficient employee/self employed person in the category locomotor disability by the honorable president of India on December 8, 2014. He is having vast experience of more than 30 years in the field of marketing and advertisement. He takes the lead in critical business discussions, negotiations, and presentations. He sources the information related to different products, companies, consumers, markets, people, services etc. Later on, he analysis and process the said information's for the development of the business and as a result, he converts the said information into profit making opportunity. He plays a vital role in marketing, branding and non conventional advertising of our products.	

**Confirmations**

We confirm that the details of the permanent account numbers, bank account numbers and passport numbers of our individuals Promoters will be submitted to the Stock Exchange at the time of filing the Drat Prospectus with the Stock Exchange.

Further, our Promoters have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Additionally, none of the Promoters have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

For details pertaining to other ventures of our Promoters refer chapter titled "Financial Information of our Group Companies" beginning on page no. 115 of the Prospectus.

### Change in the management and control of the Issuer

There has not been any change in the management and control of our Company.

### Relationship of Promoters with each other and with our Directors

There is no relationship, in terms of the Companies Act, between any of the promoters with each other and with our Directors of our company except Mr. Sanjeev Bhatia is a brother of Mr. Nikhil Bhatia and son of Mr. Harbanslal Bhatia.

### Interest of Promoters

Except as stated in Annexure F "Related Party Transaction" beginning on page no. 156 of the Prospectus and to the extent of compensation / sitting fees and reimbursement of expenses in accordance with their respective terms of employment, our Promoter does not have any other interest in our business.

Further, our Promoter is also partners and Karta of HUF entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to these Promoter Group entities. For the payments that are made by our Company to certain Promoter Group entities, please see the section "Related Party Transactions" on page no. 156 of the Prospectus.

### Payment of benefits to our Promoters

Except as stated in the section "Related Party Transactions" on page no. 122 there has been no payment of benefits to our Promoters during the two years preceding the filing of this Prospectus.

### Our Promoter Group

Promoter and Promoter Group in terms of Regulation 2(1)(za) and 2(1)(zb) of the SEBI ICDR Regulations. In addition to our Promoters named above, the following individuals and entities form a part of the Promoter Group:

#### A. Natural persons who are part of our Promoter Group

**Promoters : Mr. Sanjeev Bhatia, Mr. Nikhil Bhatia and Mr. Harbanslal Bhatia**

Relationship with promoter	Name of Relative		
Promoter	Mr.Sanjeev Bhatia	Mr. Nikhil Bhatia	Ms. Harbanslal Bhatia
Father	Harbanslal Bhatia	Harbanslal Bhatia	Brijlal Bhatia
Mother	Kamleshkumari Bhatia	Kamleshkumari Bhatia	Sheela Bhatia
Spouse	Hema Bhatia	Garima Bhatia	Kamleshkumari Bhatia
Brother	Nikhil Bhatia	Sanjeev Bhatia	Naresh Bhatia Rajendra Bhatia Shubhash Bhatia
Sister	-	-	Santosh Bhatia Shashi Bhatia Shakuntala
Son	Jetr Bhatia	Arsh Bhatia	Sanjeev Bhatia Nikhil Bhatia
Daughter	Parishi Bhatia	-	-
Spouse's Father	Devidayal Nandwani	Prabhudayal Nandwani	Jagdish Gandhi
Spouse's Mother	Rama Nandwani	Santosh Nandwani	Gyandevi Gandhi
Spouse's Brother	Rahul Nandwani	Himanshu Nandwani	Vijay Gandhi
Spouse's Sister	Harsha Chaudhari Shailja Nandwani	Ankita Nandwani	Santosh Dudeja

**B. Companies, Proprietary concerns, HUF's related to our promoters**

<b>Nature of Relationship</b>	<b>Entity</b>
Any Body Corporate in which ten percent or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relative is a member.	1. SNV Distributors Private Limited 2. E- Parisar Private Limited 3. HSL Corporation LLP 4. Modern Commodeal Private Limited 5. Mohit Enterprise 6. Telecity Enterprise LLP 7. Bhatia Electronics
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital	-
Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent	1. Nikhil Bhatia HUF 2. Sanjeev Bhatia HUF 3. Harbanslal Bhatia HUF

For further details on our Promoter Group refer Chapter Titled “Financial Information of our Group Companies” beginning on page 115 of Prospectus.

## FINANCIAL INFORMATION OF OUR GROUP COMPANY

The definition of ‘group companies’ was amended pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2015, to include companies covered under applicable accounting standards and such other companies as are considered material by the Board. Pursuant to a Board resolution dated January 19, 2018, our Board formulated a policy with respect to companies which it considered material to be identified as group companies, pursuant to which the following entities are identified as Group Companies of our Company.

Except as stated below, there is no company which is considered material by the Board of Directors of our Company to be identified as Group Company.

The list of our Group Companies/Entities:

1. Bhatia Electronics
2. Bhatia Mobiles
3. E Parisar Tech Private limited
4. HSL Corporation LLP
5. Modern Commodore Private Limited
6. Mohit Enterprise
7. SNV Distributors Private Limited
8. Telecity Entreprises LLP

The details of our Group Company is given below

### 1. Bhatia Electronics (Partnership Firm)

#### Brief Corporate Information

<b>Date of Incorporation</b>	20.07.2002
<b>Main objects:</b>	The firm was engaged in the business of trading of mobile phones. The firm is also the owner of the trademark “Bhatia’s” and earn royalty income on it from various shop keepers, who are mostly Bhatia Communication & Retail (India) Limited, it’s associates and franchisee.
<b>Registered Office Address</b>	6, Dr. Ambedkar Shopping Centre, Ring Road, Surat.

Partners as on March 31, 2017 are as under:

Sr. No.	Name of the Designated Partners	Profit/Loss Sharing ratio
1.	Mr. Naresh Bahtia	50%
2.	Mr. Nikhil Bhatia	50%

#### Financial Performance:

The following information has been derived from the audited financial statements

(in Rupees)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Capital	34,67,008	30,42,574	26,01,417
Total Income	11,33,101	10,34,006	12,13,619
Net Profit	64,028	36,369	59,540

- ❖ There are no defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against the Firm.

## 2. Bhatia Mobiles (Proprietorship Concern)

### Brief Corporate Information

Proprietor: Nikhil Bhatia (HUF)

<b>Date of Incorporation</b>	July, 2014.
<b>Main objects:</b>	Bhatia Mobile is a proprietorship concern of M/s Nikhil Bhatia HUF. The firm is having a retail shop for mobile sales in Daman. The firm is a mid-sized firm having retail shop.
<b>Registered Office Address</b>	Shop No. G-3, DMC No. 14 -15/A/1/1/G3, Dilip Empire, Teen Batti, Nani Daman -306210

### Proprietorship Concern of Nikhil Bhatia (HUF)

#### Financial Performance

The summary of audited financials is as follows:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Capital	7,34,767	17,103	1,02,819
Total Income	94,98,232	1,36,07,822	3,60,55,652
Net Profit	6,74,743	1,62,352	65,999

- ❖ There are no defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against the Proprietary Concern

## 3. E Parisar Tech Private Limited.

### Brief Corporate Information

<b>Date of Incorporation</b>	19/01/2016
<b>Current Activities</b>	The company is engaged in online sales of Mobile phones and other related items. The Company is doing it's online business through it's website www.onlymobiles.com. The company being in a start up phase of business in incurred losses till 31.03.2017
<b>CIN</b>	U52390GJ2016PTC085756
<b>Registered Office Address</b>	Shop-307, Udhna Station Shop Co-Op Society Ltd, Near City Center, Bamroli Road, Surat-394210, Gujarat.

### Board of Directors

As on March 31, 2017 the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Ms. Hema Sanjeev Bhatia	Director	02063775
2.	Mr.Sanjeev Harbanslal Bhatia	Director	02063671
3.	Mr.Shrutam Vijaybhai Desai	Director	07390789

### Shareholding Pattern

As on March 31, 2017 the Shareholding Pattern is as follows.

Sr. No	Name of the shareholder	Number of Equity shares held	Percentage holding (%)
1.	Ms. Hema Sanjeev Bhatia	32,000	40
2.	Mr.Sanjeev Harbanslal Bhatia	32,000	40
3.	Mr. Shrutam Vijaybhai Desai	16,000	20
	<b>Total</b>	<b>80,000</b>	<b>100.00</b>

### Financial Performance

The summary of audited financials is as follows:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016
Equity Share Capital (face value ₹ 10/- each)	8.00	8.00
Reserves & Surplus (excluding revaluation reserve)	(65.18)	(0.90)
Net worth	(57.18)	7.10
Total Income	357.05	12.34
Profit/ (Loss) after Tax	(64.28)	(0.90)
Earnings Per Share (in ₹)	(80.35)	(1.12)
Net Asset Value Per Share (in ₹)	(71.47)	8.88

- ❖ The Company is not a listed Company
- ❖ The Company 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 and no proceedings have been initiated for economic offences against the Company

### 4. HSL Corporation LLP

#### Brief Corporate Information

<b>Date of Incorporation</b>	15/05/2013
<b>Main objects:</b>	At present company doesn't carry on any business activity. It holds the shares of SNV distributors Pvt. Ltd.
<b>LLPIN</b>	AAB-5250
<b>Registered Office Address</b>	Shop No. 311, First Floor, Udhna Station Shop Co Op Society, Bhatia Comp. Bamroli Road , Surat- 394210, Gujarat

Designated Partners as on March 31, 2017 are as under:

Sr. No.	Name of the Designated Partners	DIN Number	Profit/Loss Sharing ratio
1.	Mr. Sanjeev Harbanslal Bhatia	02063771	30%
2.	Mr.Naresh Subesing Yadav	01854913	45%
3.	Mr. Harbanslal Brijlal Bhatia	02063751	25%

### Financial Performance:

The following information has been derived from the audited financial statements

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
-------------	----------------	----------------	----------------

Capital	25.00	25.00	25.00
Reserve and Surplus (excluding Revaluation Reserve)	0.84	0.92	1.35
Total Income (In Rs.)	-	171	1,32,218
Net Profit (In Rs.)	(8,150)	(42,329)	16,822

## 5. Modern Commodeal Private Limited

### Brief Corporate Information

<b>Date of Incorporation</b>	04/03/2008
<b>Current Activities</b>	Main object of the company is general trade. At present company doesn't carry on any business activity.
<b>CIN</b>	U51900WB2008PTC123582
<b>Registered Office Address</b>	17, Balmukund Macker Road, Ground Floor, Kolkata West Bengal, INDIA

### Board of Directors

As on March 31, 2017 the Board of Directors comprised of:

Sr. No.	Name of the Directors	Designation	DIN Number
1.	Ms. Hema Sanjeev Bhatia	Director	02063775
2.	Mr. Nareshkumar Brijlal Bhatia	Director	02066491

### Shareholding Pattern

As on March 31, 2017 the Shareholding Pattern is as follows.

Sr. No.	Name of the shareholder	Number of Equity shares held	Percentage holding (%)
1.	Mr. Nikhil Bhatia Jointly with Naresh Bhatia	44,000	50
2.	Ms. Hema Bhatia Jointly with Mr. Sanjeev Bhatia	44,000	50
	<b>Total</b>	88,000	100.00

### Financial Performance

The summary of audited financials is as follows:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Share Capital (face value ₹ 10/- each)	8.80	8.80	8.80
Reserves & Surplus (excluding revaluation reserve)	71.30	71.29	71.44
Net worth	80.10	80.09	80.24
Total Income	0.31	0.29	1.74
Profit/ (Loss) after Tax	0.01	(0.15)	0.08
Earnings Per Share (in ₹)	0.01	(0.17)	0.09
Net Asset Value Per Share (in ₹)	91.03	91.01	91.18

- ❖ The Company is not a listed Company
- ❖ The Company 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 and no proceedings have been initiated for economic offences against the Company



## 6. Mohit Enterprise (Partnership Firm)

### Brief Corporate Information

<b>Date of Incorporation</b>	02.07.2010
<b>Main objects:</b>	Mohit Enterprises is a partnership firm established on 02.07.2010. The firm undertakes distribution of mobile phones in surat region. At present the firm is engaged in distribution of mobile phones of LG, Oppo and few other companies. The firm is engaged in wholesale trade and have a good sales network in surat for mobile distribution.
<b>Registered Office Address</b>	3 <sup>rd</sup> Floor, Aastha, 2/906, Hira Modi, Sheri, Opp. Gujarat Samachar Press, Ring Road, Surat -395 002, Gujarat.

Partners as on March 31, 2017 are as under:

<b>Sr. No.</b>	<b>Name of the Designated Partners</b>	<b>Profit/Loss Sharing ratio</b>
1.	Mr. Ritesh Binod Kejriwal	50%
2.	Mr. Sanjeev H Bhatia	50%

### Financial Performance:

The following information has been derived from the audited financial statements (in Rupees)

<b>Particulars</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>
Capital	36,78,885	29,28,924	21,07,049
Total Income	11,15,28,886	10,59,62,435	11,36,32,827
Net Profit	2,10,859	2,12,312	2,04,534

- ❖ There are no defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against the Firm.

## 7. SNV Distributors Private Limited

### Brief Corporate Information

<b>Date of Incorporation</b>	03/07/2013
<b>Current Activities</b>	The main business of the Company is local wholesale trade of mobiles.
<b>CIN</b>	U51909GJ2013PTC075882
<b>Registered Office Address</b>	SHOP NO. 316, FIRST FLOOR, UDHNA STATION SHOP CO OP SOCIETY, BHATIA COMP BAMROLI ROAD, SURAT, Gujarat.

### Board of Directors

As on March 31, 2017 the Board of Directors comprised of:

<b>Sr. No.</b>	<b>Name of the Directors</b>	<b>Designation</b>	<b>DIN Number</b>
1.	Mr. Harbanslal Bhatia	Director	02063751
2.	Mr. Naresh Subesing Yadav	Director	01854913
3.	Mr. Nikhil Harbanslal Bhatia	Director	02063706
4.	Mr. Sanjeev Harbanslal Bhatia	Director	02063671

### Shareholding Pattern

As on March 31, 2017 the Shareholding Pattern is as follows.

Sr. No	Name of the shareholder	Number of Equity shares held	Percentage holding (%)
1.	HSL Corporation LLP	2,50,000	9.09
2.	Modern Commodore Private Limited	5,22,500	19.00
3	Sanjeev Bhatia	6,93,400	25.21
4	Naresh Yadav	12,07,500	43.91
5	Nikhil Bhatia	76,600	2.79
	<b>Total</b>	<b>27,50,000</b>	<b>100.00</b>

### Financial Performance

The summary of audited financials is as follows:

(₹ in Lacs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Share Capital (face value ₹ 10/- each)	275.00	275.00	275.00
Reserves & Surplus (excluding revaluation reserve)	(307.94)	(577.26)	109.95
Net worth	(32.94)	(302.26)	384.95
Total Income	1546.68	1265.66	1898.31
Profit/ (Loss) after Tax	269.31	(467.31)	(114.00)
Earnings Per Share (in ₹)	9.79	(16.99)	(4.15)
Net Asset Value Per Share (in ₹)	(1.20)	(10.99)	14.00

- ❖ The Company is not a listed Company
- ❖ The Company 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 and no proceedings have been initiated for economic offences against the Company

### 8. Telecity Enterprises LLP

#### Brief Corporate Information

<b>Date of Incorporation</b>	12.08.2016
<b>Main objects:</b>	The firm undertakes distribution of mobile phones in south Gujarat region. At present the firm is engaged in distribution of mobile phones of Gionee and other companies. The firm is engaged in wholesale trade and has a good sales network in South Gujarat for mobile distribution.
<b>LLPIN</b>	AAH-1466
<b>Registered Office Address</b>	Shop No. 319,322-323,Bhatia Complex, Near City Center, Bamroli Road, Surat, Gujarat.

Designated Partners as on March 31, 2017 are as under:

Sr. No.	Name of the Designated Partners	DIN Number	Profit/Loss Sharing ratio
1.	Mr. Hitesh Bhagat	07586122	25%
2.	Ms. Hema Bhagat	02063775	25%
3.	Mr. Sanjeev Bhatia	02063771	25%
4.	Mr. Ghanshyamdas Bhagat	07586223	25%

### Financial Performance:

The following information has been derived from the audited financial statements

(₹ in Lacs)

Particulars	March 31, 2017
Capital	25.00
Reserve and Surplus (excluding Revaluation Reserve)	-
Total Income	1682.64
Net Profit	11.53

**Common Pursuit:**

Our Group Companies Telecity Entreprises LLP, SNV Distributors Private Limited, Mohit Enterprise, E Parisar Tech Private Limited, Bhatia Mobiles and Bhatia Electronics are carrying on the same activities in which our company is operating.

**Dissociation of Promoters in the Last Three Year:**

None of our Promoters have disassociated themselves from any company in the preceding three years.

**Business Interests amongst our Company and Group Company /Associate Company**

We have entered into certain business contracts with our Group Entities. For details, see “Related Party Transactions” on page 156.

Other than as stated above, none of our Group Entities have any business interest in our Company.

**Sale or Purchase between Our Company and Our Promoter Group Company:**

For details, see section titled “Related Party Transactions” on page 122.

The purchase of Issuer Company with Group companies

(In ₹)

Group Company	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
SNV Distributors Private Limited	-	142,516,904	83,709,040	111,066,044	57,424,461	-
% to total Purchases	0.00	11.32	9.57	10.73	5.61	0.00

**Changes in Accounting Policies in the last three years**

Except as mentioned under the paragraph Changes in Significant Accounting Policies, “Annexure IV” under Chapter titled “Auditors’ Report and Financial Information of our Company” beginning on page 124 of the Prospectus, there have been no changes in the accounting policies in the last three years.

**Litigation**

For details relating to the legal proceedings involving the Group Entities, see “Outstanding Litigations and Material Developments” on page 174.

**Defunct /Struck of Company:**

None of our Promoter Group Company and Entity has remained defunct and no application has been made to the Registrar of Companies for striking off their name from the register of companies, during the five years preceding the date of filing of this Prospectus.

## **RELATED PARTY TRANSACTIONS**

For details of the related party transaction of our Company, see Annexure F and Notes IV to Accounts to the financial statements respectively, in “Auditors Report and Financial Information of Our Company” beginning from page 156 of this Prospectus.

## **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

### Independent Auditor's Report for the Restated Financial Statements of BHATIA COMMUNICATION & RETAIL INDIA LIMITED

To,  
The Board of Directors,  
BHATIA COMMUNICATION & RETAIL INDIA LIMITED  
132, Dr Ambedkar Shopping Centre,  
Ring Road,  
Surat- 395002

Dear Sir,

1. We have examined the attached Restated Summary Statement of Assets and Liabilities of BHATIA COMMUNICATION & RETAIL INDIA LIMITED (hereinafter referred to as the "Company") as at September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the related Restated Summary Statement of Profit and Loss and Restated Summary Statement of Cash Flow for the period/ financial year ended on September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, (collectively referred to as the "Restated Summary Statements" or "Restated Financial Statements") annexed to this report and initialed by us for identification purpose. These Restated Summary Statements have been prepared by management of the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) in SME Platform of BSE Limited ("BSE").
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
  - (i) Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India as amended from time to time (the "Guidance Note").
3. We have examined such Restated Financial Statements taking into consideration:
  - (i) The terms of reference to our engagements with the Company letter dated January 05, 2018 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE ("IPO" or "SME IPO"); and
4. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year ended on September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013, which has been approved by the Board of Directors.
5. In accordance with the requirements of the Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - (i) The "Restated Statement of Assets and Liabilities" of the Company as at September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013, examined by us, as set out in Annexure I to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Notes to the Restated Summary Statements to this Report.

(ii) The “Restated Statement of Profit and Loss” of the Company for the period/ financial year ended on September 30,2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 , examined by us, as set out in Annexure II to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in Notes to the Restated Summary Statements to this Report.

(iii) The “Restated Statement of Cash Flow” of the Company for the period/ financial year ended on September 30,2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 , examined by us, as set out in Annexure III to this report read with significant accounting policies in Annexure IV has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in Notes to the Restated Summary Statements to this Report.

6. Based on the above, we are of the opinion that the Restated Financial Statements have been prepared:

- a) Using consistent accounting policies for all the reporting periods;
- b) Making adjustments for prior period and other material amounts in the respective financial years/period to which they relate;
- c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments;
- d) There has been no audit qualifications in the Audit Reports issued by the Statutory Auditors which would require adjustments in this Restated Financial Statements of the Company.
- e) These Profits and Losses have been arrived at after charging all expenses including gratuity and depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in this report.

7. For the purpose of our examination, we have relied on the financial statements for the period/ year ended on September 30,2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 audited by us, which we have issued dated January 05, 2018, September 02, 2017, September 01, 2016, September 03, 2015, September 05, 2014, and September 09, 2013 respectively.

8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period/ financial year ended September 30,2017 , March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 proposed to be included in the Draft Prospectus/Prospectus (“Offer Document”).

- i. Notes & Significant accounting policies to Restated Statements
- ii. Restated notes forming part of Balance Sheet and Profit & Loss Account ( Annexure A)
- iii. Statement of principal terms of secured loans and assets charges as security (Annexure B);
- iv. Statement Of Terms & Conditions Of Unsecured Loans (Annexure C)
- v. Statement of Deferred tax asset/liabilities (Annexure D)
- vi. Statement Of Fixed Assets :Fixed Assets Chart as per companies act (Annexure E1) Fixed Assets Chart as per Income Tax act(Annexure E2)
- vii. Statement Of Related Party Transaction (Annexure F);
- viii. Summary of Mandatory accounting ratios based on adjusted profits/losses, relating to earnings per share, net assets value per share and return on net worth (Annexure G)
- ix. Statement of Tax Shelter (Annexure H)
- x. Statement Of contingent liabilities (Annexure I);
- xi. Statement of dividend declared (Annexure J)
- xii. Statement of Capitalisation Statement (Annexure K)

9. We, R. Kejriwal & Co, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, the above financial information contained in Annexure I to IV and A to H of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**R Kejriwal & Co**  
**Chartered Accountants**

**CA. Vishal Joshi**  
**Partner**  
**M. No. 427019**  
**Firm No. 0133558W**  
**Place: Surat**  
**Date: 18/01/2018**



## Annexure -I

## Restated Balance Sheet

(C in Lacs)

Particulars		Note No.	As at 30.09.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013
<b>EQUITY &amp; LIABILITIES</b>								
I	Shareholders' Funds							
	Share Capital	1	364.32	55.26	55.26	55.26	55.26	4.76
	Reserves and Surplus	2	121.64	299.63	251.86	220.93	190.45	205.88
II	Share Application Money		-	-	-	-	-	-
III	Non Current Liabilities							
	Long Term Borrowings	3	100.68	149.23	146.94	41.64	98.24	157.20
	Deferred Tax Liability		5.82	5.86	7.72	9.32	11.77	10.49
	Other Long term Liabilities		-	-	-	-	-	-
	Long term provisions	4	17.62	15.40	8.48	5.71	3.93	2.11
IV	Current Liabilities							
	Short term Borrowings	5	369.95	259.39	23.90	276.70	246.36	10.41
	Trade Payables	6	1,862.08	1,670.99	1,267.50	1,191.52	1,049.47	557.78
	Other current liabilities	7	18.88	21.51	6.39	13.63	27.27	100.65
	Short Term Provisions	8	68.45	23.92	16.70	18.72	14.98	8.21
	<b>Total</b>		<b>2,929.44</b>	<b>2,501.18</b>	<b>1,784.75</b>	<b>1,833.44</b>	<b>1,697.74</b>	<b>1,057.49</b>
<b>ASSETS</b>								
I	Non Current Assets							
	Fixed Assets	9						
	- Tangible Assets		530.75	442.78	291.70	236.44	213.08	188.25
	- Intangible assets		29.00	29.00	29.00	29.00	29.00	29.00
	- Capital WIP		-	-	-	-	-	-
	- Intangible Assets under development		-	-	-	-	-	-
	Non current Investments		-	-	-	-	-	-
	Deferred tax assets (net)		-	-	-	-	-	-
	Long term Loans and Advances		-	-	-	-	-	-
	Other Non-Current Assets		-	-	-	-	-	-
II	Current Assets							
	Current Investments		-	-	-	-	-	-
	Inventories	10	1,292.62	1,273.44	894.29	958.59	839.09	388.11
	Trade Receivables	11	697.73	504.25	287.12	335.83	343.22	313.89
	Cash and Cash Equivalents	12	229.09	158.18	190.35	88.17	87.23	55.93
	Short term Loans and Advances	13	150.25	93.52	92.29	185.41	186.11	82.30
	Other Current assets		-	-	-	-	-	-
	<b>Total</b>		<b>2,929.44</b>	<b>2,501.18</b>	<b>1,784.75</b>	<b>1,833.44</b>	<b>1,697.74</b>	<b>1,057.49</b>

## Annexure II

## RESTATED PROFIT AND LOSS ACCOUNT

(₹ in Lacs)

Particulars	Note No.	As at 30.09.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013
I Revenue From Operations (Net)		7,451.55	12,433.11	8,961.46	10,387.92	9,928.48	7,080.79
II Other income	14	1,072.07	915.97	646.67	669.46	483.24	348.67
III TOTAL REVENUE		8,523.61	13,349.08	9,608.13	11,057.38	10,411.72	7,429.46
IV Expenditures		-	-	-	-	-	-
Cost of Materials Consumed		-	-	-	-	-	-
Purchase of Stock In trade		7,839.80	12,586.32	8,746.23	10,349.53	10,241.67	7,130.71
Changes in inventory of finished goods, work-in-progress and Stock-in-Trade	15	(19.18)	(379.15)	64.30	(119.50)	(450.98)	(136.62)
Employee benefit expenses	6	178.02	264.10	218.85	238.15	184.55	153.98
Financial costs	17	45.75	65.96	39.20	39.19	43.51	39.48
Depreciation & Amortization	9	36.29	51.55	39.75	37.54	20.22	16.39
Other Expenses	18	252.69	690.86	454.04	460.86	321.01	191.01
V TOTAL EXPENSES		8,333.37	13,279.63	9,562.38	11,005.77	10,359.97	7,394.96
VI Profit before Exceptional & Extraordinary items & tax		190.25	69.45	45.76	51.61	51.75	34.51
Add:Exceptional / Extraordinary Items		-	-	-	-	-	-
VII Profit before extraordinary items and tax		190.25	69.45	45.76	51.61	51.75	34.51
Add/(less) Extraordinary items		-	-	-	-	-	(4.26)
Loss on sale of Car		-	-	-	-	-	-
VIII Profit Before Tax		190.25	69.45	45.76	51.61	51.75	30.25
Tax expense		-	-	-	-	-	-
Current Tax		58.72	23.55	16.58	18.45	14.96	8.19
Dividend Distribution Tax		-	-	-	0.04	-	-
Deferred Tax		(0.03)	(1.86)	(1.61)	(2.45)	1.29	2.55
Earlier Year Taxes		0.48	-	(0.15)	1.37	(0.43)	0.49
Less: MAT credit entitlement		-	-	-	-	-	-
IX Profit /(Loss) from Continuing Operations		131.07	47.77	30.93	34.21	35.07	20.01
X Profit /(Loss) from Discontinuing Operations		-	-	-	-	-	-
Less: Tax Expenses of Discontinuing Operations		-	-	-	-	-	-
XI Profit /(Loss) from Discontinuing Operations after Tax		-	-	-	-	-	-
XII Profit / (Loss) for the year		-	-	-	-	-	-
XIII Earning per Equity Share							
Basic		3.63	9.27	6.00	6.64	6.81	198.10
Diluted		3.63	8.64	5.60	6.19	6.35	42.03

**Restated Cash Flow Statement**

**Annexure - III**  
( in Lacs)

Particulars		As at 30.09.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
	Net Profit Before Tax and Extraordinary Items	190.25	69.45	45.76	51.61	51.75	30.25
	Adjustments for:		-	-	-	-	-
	Depreciation & DTA/ DTL	36.26	49.69	38.14	35.09	21.50	18.94
	Loss on Sale of Assets	-	-	-	-	-	4.26
	Amortization Expenses	-	-	-	-	-	0.09
	Financial Costs	45.75	65.96	39.20	39.19	43.51	39.48
	Operating Profit before Working Capital Changes	272.25	185.10	123.10	125.89	116.76	93.02
	Adjustments for Working Capital Changes:	-	-	-	-	-	-
	Decrease/(Increase) in Inventories	(19.18)	(379.15)	64.30	(119.50)	(450.98)	(136.62)
	Decrease/(Increase) in Sundry Debtors	(193.48)	(217.13)	48.71	7.39	(29.33)	(106.94)
	Increase/(Decrease) in Current Liabilities & Provisions	235.22	432.75	69.49	133.93	426.89	247.68
	Cash generated from Operations	294.81	21.56	305.60	147.72	63.35	97.14
	Income Tax Paid	(59.18)	(21.68)	(14.83)	(17.40)	(16.67)	(10.24)
	<b>Net Cash Flow from Operating Activities (A)</b>	<b>235.63</b>	<b>(0.12)</b>	<b>290.77</b>	<b>130.32</b>	<b>46.68</b>	<b>86.90</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	-	-	-	-	-	-
	Purchase of Fixed Assets	(124.25)	(204.93)	(95.01)	(64.44)	(45.05)	(105.55)
	Sale of Fixed Asset	-	2.30	-	-	-	25.21
	Short Term Loans & Advances	(56.73)	(1.23)	93.13	0.70	(103.81)	(41.97)
	<b>Net Cash Flow from Investing Activities (B)</b>	<b>(180.98)</b>	<b>(203.87)</b>	<b>(1.88)</b>	<b>(63.74)</b>	<b>(148.86)</b>	<b>(122.31)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	-	-	-	-	-	-
	Finance Costs	(45.75)	(65.96)	(39.20)	(39.19)	(43.51)	(39.48)
	Increase in Share Capital	-	-	-	-	-	3.75
	Increase in Reserves & Surplus	-	-	-	(0.19)	-	146.25
	Proceeds from/(Repayment of) Secured Loan	105.39	269.96	(251.39)	24.74	213.49	(58.77)
	Proceeds from/(Repayment of) Unsecured Loan	(43.38)	(32.18)	103.89	(50.99)	(36.50)	3.12
	<b>Net Cash Flow from Financing Activities (C)</b>	<b>16.26</b>	<b>171.82</b>	<b>(186.71)</b>	<b>(65.63)</b>	<b>133.48</b>	<b>54.86</b>
	<b>Net Changes in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>70.91</b>	<b>(32.17)</b>	<b>102.18</b>	<b>0.95</b>	<b>31.29</b>	<b>19.45</b>
	<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>158.18</b>	<b>190.35</b>	<b>88.17</b>	<b>87.23</b>	<b>55.93</b>	<b>36.48</b>
	<b>Cash &amp; Cash Equivalents at the</b>						

	end of the year		229.09	158.18	190.35	88.17	87.23	55.93
--	-----------------	--	--------	--------	--------	-------	-------	-------

#### ANNEXURE-IV

### Significant Accounting Policies and Notes to Restated Summary Statement

#### Nature of Operations

BHATIA COMMUNICATION & RETAIL INDIA LIMITED is a company domiciled in India and Incorporated under the provisions of the Companies Act, 1956. The company is engaged in the Retail & Wholesale Trading in Telecommunication items. The company caters to domestic markets.

#### NOTE 1 SIGNIFICANT ACCOUNTING POLICIES:

##### Basis of preparation of financial statements

The restated summary statement of assets and liabilities of the Company as at September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 and the related restated summary statement of profits and loss and cash flows for the years ended September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 have been compiled by the management from the audited financial statements of the Company for the years ended on September 30, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the SEBI Guidelines) issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the SME Platform of BSE in connection with its proposed Initial public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of Restated Summary Statements.

##### Use of estimates

The financial statements have been prepared under historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act 2013, as adopted consistently by the company. The company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis. Revenue from sale of goods is recognized on completion of sale of goods and is recorded net of trade discount and rebates however delayed payment charges recovered/recoverable on goods sold have been considered the part of sales. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

#### 1. Inventories (AS 2)

Inventories are being valued as under: (As taken, valued and certified by the management)

Traded Goods : Valued at Cost or Net Realisable value whichever is less as per AS 2 issued by Institute of Chartered Accountants of India.

#### 2. Cash Flows (AS 3)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are term deposit balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to in significant risk of changes in value. Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or

accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash Flow Statement has been prepared both in pursuance of the Companies Act, 2013 and as per Accounting Standard-3.

### **3. Depreciation (AS 6)**

Depreciation on fixed assets are provided on Straight line Method in accordance with requirements of Schedule II to the Companies Act, 2013. Depreciation on additions/ disposals during the year has been provided on pro-rata basis with reference to the nos. of days utilized.

### **4. Revenue Recognition (AS 9)**

Income and expenditure are recognized and accounted on accrual basis as and when they are earned or incurred. Revenue from sales transaction is recognized as and when the significant risk and reward attached to ownership in the goods is transferred to the buyer. Revenue from sale of goods is recognized on completion of sale of goods and is recorded net of trade discount and rebates and VAT is accounted for on exclusive accounting method which does not included in Sales.

### **5. Fixed Assets (AS 10)**

Tangible Assets are stated at the cost of acquisition less depreciation thereon. All costs relating to the acquisition and installation of tangible assets are capitalized and include borrowing costs directly attributable to acquisition or construction of fixed assets, up to the date the assets are put to use. Intangible assets are stated at cost of acquisition.

### **6. Foreign Currency Transactions (AS 11)**

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions are recognised in the profit and loss account.

### **7. Investments (AS 13)**

Investments are stated at cost unless and otherwise specified.

### **8. Employee benefits (AS 15)**

#### **Defined-contribution plans:**

Provident fund and pension scheme are Defined Contribution Plans in the Company. The Company is a member of recognized Provident Fund scheme established under The Provident Fund & Miscellaneous Act, 1952 by the Government of India. The amount of contribution is being deposited each and every month well within the time under the rules of EPF Scheme. The contribution paid or payable under the scheme is recognized generally during the period under which the employee renders the related services.

#### **Defined-Benefit plans:**

##### **Gratuity:**

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method. The obligation is measured at present values of estimated future cash flows. The discount rates used for determining the present value are based on the market yields on government securities as at the balance sheet date.

Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise. The gratuity provision for 6 months ended on 30/09/2017 have been done on provisional basis.

### **9. Borrowing costs (AS 16)**

No Borrowing cost was required to be capitalised during the year.

### **10. Earnings per share (AS 20)**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

#### 11. Taxes on income (AS 22)

Income tax liability is ascertained on the basis of assessable profits computed in accordance with the provisions of Income-tax. Act, 1961. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of being reversal in one or more subsequent periods.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company review the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

#### 12. Impairment of assets (AS 28)

An impairment loss is charged to the Statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. During the year, there is no impairment of assets.

#### 13. Provisions and contingent liabilities (AS 29)

A provision is recognised when there is a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provision is not discounted to its present value and is determined based on the best estimate required to settle the obligation at the year end date. These are reviewed at each year end date and adjusted to reflect the best current estimate.

Contingent Liabilities for the period under review is as under.

Particulars	Financial Year	Amount (in Rs)	Status
Demand of Rs 25,54,800 raised by DCIT, Circle 1(1)(1) u/s 143(3) of IT Act, 1961	2012-13	Rs 25,54,800	Appeal pending before CIT (A)

#### NOTE 2

#### NOTES TO RESTATED SUMMARY STATEMENT:

The financial statements for the years ended March 31, 2011 were prepared as per the applicable pre-revised Schedule VI of the Companies Act 1956. Consequent to the notification of the revised schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and September 30, 2017 are prepared as per the revised schedule VI. Accordingly, the figures of the previous years have also been re-classified to conform to classification as per the revised schedule VI. The adoption of revised schedule VI for the figures of the previous years does not impact recognition and measurement principles followed for the preparation of these financial statements.

#### 1. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

he principal amount and the interest thereon due to any supplier as at the year end	The amount of payment made to the supplier beyond the appointed day and the interest thereon, during the year	The amount of interest due and payable for the period of delay in making payment	The amount of interest accrued and remaining unpaid at the end of the year	The amount of further interest remaining due and payable in the succeeding year
NIL	NIL	NIL	NIL	NIL

Dues to the Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information by the management. This has been relied upon by the auditors.

The Company is in the process of compilation of details of amounts due to small scale industrial units, and only the party who have informed their status as SME to the company have been consider for above reporting.

2. "Related party transactions are already reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as ammended, in the "Annexure F" of the enclosed financial statements."
3. Deferred Tax liability/Asset in view of AS 22: "Accounting for Taxes on Income" as at the end of the year is as under:

Particulars	30.09.2017	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Timing Differences on account of:	-					
<b>Deferred Tax Asset/(Liability):</b>						
Opening Balance	(5.86)	(7.72)	(9.32)	(11.77)	(10.49)	(7.94)
Add: Depreciation on Assets	(0.51)	(0.36)	0.73	1.89	(1.85)	(3.20)
Adjustment to DTA/DTL due to change in rate of tax	(0.14)	-	-	-	-	-
Reversal of DTA created on preliminary & preoperative exp.	-	-	-	-	-	-
Carry Forward Losses	-	-	-	-	-	-
Disallowance u/s. 43B	0.68	2.22	0.88	0.56	0.56	0.66
Net Deferred Tax Asset/(Liability) for the period	0.03	1.86	1.61	2.45	(1.29)	(2.55)
<b>Net Deferred Tax Asset/(Liability) as on period / year end</b>	<b>(5.82)</b>	<b>(5.86)</b>	<b>(7.72)</b>	<b>(9.32)</b>	<b>(11.77)</b>	<b>(10.49)</b>

#### 4. Auditors' Remuneration:

Particulars	30.09.2017	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
As Auditor	0.175	-	-	-	-	-
Tax audit	0.075	-	-	-	-	-
<b>Total</b>	<b>0.250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 5. Earnings Per Share (AS 20) :

Earnings per Share have been calculated as under:

Particulars	30.09.2017	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
A. Number of Shares at the beginning of the year	515,100	515,100	515,100	515,100	10,100	10,100
Shares issued during the year:	-	-	-	-	-	-
Pref share converted into equity share	37,500	-	-	-	-	-
Allotment/bonus	3,090,600	-	-	-	505,000	-
B. Total Number of equity shares outstanding at the end of the year	3,643,200	515,100	515,100	515,100	515,100	10,100

C. Weighted average numbers of equity shares for calculating Basic EPS.	3,605,905	515,100	515,100	515,100	515,100	10,100
D. Weighted average numbers of equity shares for calculating Restated EPS.	3,605,905	515,100	515,100	515,100	515,100	10,100
E. Weighted average numbers of equity shares for calculating diluted EPS.	3,605,905	552,600	552,600	552,600	552,600	47,600
F. Net profit after tax available for equity shareholders as restated	13,106,906	4,776,549	3,093,022	3,420,953	3,507,382	2,000,780
G. Basic earnings per share (Rs.)	22.58	10.24	6.39	6.88	7.05	212.65
H. Diluted earnings per share (Rs.)	22.58	9.54	5.95	6.42	6.57	45.12
I. Restated Basic Earning/(Losses) per Share (Rs.)	3.63	9.27	6.00	6.64	6.81	198.10
J. Restated Diluted earnings per share (Rs.)	3.63	8.64	5.60	6.19	6.35	42.03

6. Figures have been rearranged and regrouped wherever practicable and considered necessary.

**7. Employee benefits (AS 15) :**

(` in Lacs)

<b>(a) Defined Benefit Plan (Gratuity)</b>					
The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:					
<b>Particulars</b>	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2015</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
<b>1. The amounts recognised in the Balance Sheet are as follows:</b>					
Present value of unfunded obligations recognised	15.78	8.60	5.76	3.95	2.13
Un-Funded Status	15.78	8.60	5.76	3.95	2.13
Net Liability	15.78	8.60	5.76	3.95	2.13
<b>2. The amounts recognised in the Profit &amp; Loss A/c are as follows:</b>	0.00	0.00	0.00	0.00	0.00
Current Service Cost	3.66	2.32	1.85	1.49	0.00
Interest on Defined Benefit Obligation	0.64	0.43	0.30	0.16	0.00
Net Actuarial Losses / (Gains) Recognized in Year	2.88	0.09	-0.34	0.18	2.13
	7.18	2.84	1.80	1.83	2.13
<b>3. Changes in the present value of defined benefit obligation:</b>	0.00	0.00	0.00	0.00	0.00



Defined benefit obligation as at the beginning of the year/period	8.60	5.76	3.95	2.13	0.00
Service cost	3.66	2.32	1.85	1.49	0.00
Interest cost	0.64	0.43	0.30	0.16	0.00
Actuarial Losses/(Gains)	2.88	0.09	-0.34	0.18	0.00
Defined benefit obligation as at the end of the year/period	15.78	8.60	5.76	3.95	-
Benefit Type :					
Retirement Age:	65 Years	65 Years	65 Years	65 Years	65 Years
Vesting Period:	5 Years	5 Years	5 Years	5 Years	5 Years
<b>The principal actuarial assumptions for the above are:</b>					
Discount rate per annum	7.50%	7.50%	7.50%	7.50%	7.50%
Expected salary escalation rate per annum	5.00%	5.00%	5.00%	5.00%	5.00%
Attrition Rate per Annum	2.00%	2.00%	2.00%	2.00%	2.00%

The Company has determined the liability for employee benefits as on 30th September, 2017 in accordance with Accounting Standard 15- Employee benefits and an approximate amount of provision is created on the basis of actuarial report prepared by third party as on 31st March,2017.

The Company has paid following to the recognised provided Fund and ESIC Fund.

<b>(b) Defined Contribution Plans</b>						
The Company is registered with the Regional Provident Fund and ESIC Commissioner for the Employees' Provident Fund Scheme and Employees State Insurance Scheme. Contributions to Provident Fund and ESIC are included under head Salaries, allowances and welfare in the Statement of profit and loss.						
<b>Particulars</b>	<b>30.09.2017</b>	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2015</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
Provident Fund & ESIC	0.68	2.05	2.74	2.28	2.24	2.35

## 8. Realisations

In the opinion of the Board and to the best of its knowledge and belief, the value on realisation of current assets and loans and advances are approximately of the same value as stated.

## 9. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

## 10. Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest rupees. Figures in brackets indicate negative values.

## 11. Previous year's figures

Figures of all the previous years dealt in this statement have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure to the extent possible.

## 12. Segment Reporting (AS 17)

AS -17 is not applicable to the Company as the Company does not have any other segment.

### 13. Leases (AS 19)

The Company has not entered into any finance and operating lease .

### 14. Material Adjustments :

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of revised Schedule VI and Accounting Standards.

Statement of Adjustments in the financial statements:

(` in Lacs)

Particulars	30.09.2017	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Net Profits after tax and extraordinary items as per audited accounts but before Adjustments: (A)	115.75	53.08	32.01	34.97	38.62	24.19
<b>Adjustment on Account of :</b>						
Add: Provision for Income Tax	(0.48)	-	0.15	(1.41)	(0.43)	0.49
Add: Provision for MAT Credit	-	-	-	-	-	-
Add/(less): Provision for deferred tax liability	0.03	1.86	1.61	2.45	(1.29)	(2.55)
Less: Provision of Expenses provided/not provided earlier	-	-	-	-	-	-
Gratuity	15.78	(7.18)	(2.84)	(1.80)	(1.83)	(2.13)
Preliminary & Pre-Operative Exp	-	-	-	-	-	-
<b>Total (B)</b>	15.32	(5.32)	(1.08)	(0.76)	(3.54)	(4.18)
<b>Net Profit as Restated (A+B)</b>	<b>131.07</b>	<b>47.77</b>	<b>30.93</b>	<b>34.21</b>	<b>35.07</b>	<b>20.01</b>

#### a. Provision for Income tax

Provision for current tax is made in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act 1961.

#### b. Provision for change in accounting policy

No accounting Policies have been changed during the period.

#### c. Short Term & Long Term provision of Gratuity

No Provision for gratuity liability, based on Actuarial Valuation, for earlier years had been provided in books of account, has been provided in this Restated Statements.

#### d. Provision for deferred tax

No provision for deferred tax on expenses disallowed in 43B has been provided in books of accounts but the same has been provided in restated summary statements.

#### e. Preliminary and Pre-Operative Expenses.

The Company had incurred certain preliminary expenditure which are getting amortised over a period of five years from the first year of the Company which is year ending 31st March 2009, and same has been disclosed as preliminary expenditure in Statement of Assets and Liabilities. As per to the Accounting Standard 26 'Intangible Assets' all preliminary expenditure need to be charged to the Statement of Profit and Loss in the year in which they are incurred.

f. All the above changes mentioned at (a) to (e) points are done in this Restated Financial Statements only. However, no change has been in made in books of accounts in F.Y. 2012-13, F.Y. 2013-14, F.Y. 2014-15, F.Y.

2015-16,F.Y. 2016-17. In books of account, all the effects have been given in F.Y. 2017-18. In books of accounts, all the expenses of previous financial years mentioned at point (a),(b),(c), and (d), considered as revenue expenses in F.Y. 2017-18 and are subject to disallowance in Income tax.

**15. Managerial remuneration to directors charged to profit and loss account are as under:**

Particulars	30.09.2017	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Director's Remuneration / Commission	18.00	24.00	12.00	12.00	12.00	12.00
Perquisites	-	-	-	-	-	-
<b>Total</b>	18.00	24.00	12.00	12.00	12.00	12.00

**16. Expenditure in Foreign Currency**

Particulars	30.09.2017	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Expenditure	-	5.11	50.52	102.59	-	-
<b>Total</b>	-	5.11	50.52	102.59	-	-

## ANNEXURE -A

## Restated Notes Forming Part Of Balance Sheet

(₹ in Lacs)

PARTICULARS	As at 30.09.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013
<b>NOTE 1</b>						
<b>SHARE CAPITAL</b>						
<b>AUTHORISED</b>						
Equity Shares Of Rs 10 Each	70,000,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
Preference Shares Of Rs 10 Each	-	500,000	500,000	500,000	500,000	500,000
	<b>70,000,000</b>	<b>6,000,000</b>	<b>6,000,000</b>	<b>6,000,000</b>	<b>6,000,000</b>	<b>6,000,000</b>
<b>Issued Subscribed &amp; Paid Up</b>						
Equity Shares Of Rs.10/- Each	36,432,000	5,151,000	5,151,000	5,151,000	5,151,000	101,000
Preference Shares Of Rs 10/- Each	-	375,000	375,000	375,000	375,000	375,000
	<b>36,432,000</b>	<b>5,526,000</b>	<b>5,526,000</b>	<b>5,526,000</b>	<b>5,526,000</b>	<b>476,000</b>
<b>Subscribed And Fully Paid Up Capital</b>						
Equity Shares Of Rs.10/- Each Fully Paid Up	36,432,000	5,151,000	5,151,000	5,151,000	5,151,000	101,000
Preference Shares Of Rs 10/- Each Fully Paid Up	-	375,000	375,000	375,000	375,000	375,000
	<b>36,432,000</b>	<b>5,526,000</b>	<b>5,526,000</b>	<b>5,526,000</b>	<b>5,526,000</b>	<b>476,000</b>

<b>SUBSCRIBED BUT NOT FULLY PAID UP CAPITAL</b>	-	-	-	-	-	-
	-	-	-	-	-	-

Reconciliation Of The Number Of Shares At The Beginning & End Of The Reporting Period :												
	NO. OF SHARES											
Authorised Shares	Pref Share	Eq share	Pref Share	Eq share	Pref Share	Eq share	Pref Share	Eq share	Pref Share	Eq share	Pref Share	Eq share
Previous Year	50000	550000	50000	550000	50000	550000	50000	550000	50000	550000		100000
Increased By/ Decreased By	50000	6450000									50000	450000
Current Year		7000000	50000	550000	50000	550000	50000	550000	50000	550000	50000	550000

Issued, Subscribed And Fully Paid												
	NO. OF SHARES											
Number Of Shares At The Beginning	37500	515100	37500	515100	37500	515100	37500	515100	37500	10100		10100
Add : Bonus Shares Issued		3128100								505000	37500	
Add /Less :Pref Shares Converted Into Equity Shares	37500											

Number Of Shares At The End		3643200	37500	515100	37500	515100	37500	515100	37500	515100	37500	10100
-----------------------------	--	---------	-------	--------	-------	--------	-------	--------	-------	--------	-------	-------

Shares Held By Each Shareholder Holding More Than 5% Shares, Specifying The Number Of Shares Held :												
NO. OF SHARES WITH SHARING RATIO												
Equity Shares Of Rs 10 Each	No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%
Harbanslal Bhatia	17,85,000	49.00	2,55,000	49.50	2,55,000	49.50	2,55,000	49.50	2,55,000	49.50	5000	49.50
Sanjeev Bhatia	17,85,000	49.00	2,55,000	49.50	2,55,000	49.50	2,55,000	49.50	2,55,000	49.50	5000	49.50
5% Non Cumulative Pref. Shares Of Rs 10 Each												
Basukinath Commosales Pvt Ltd					5000	13.33	5000	13.33	5000	13.33	5000	13.33
Calendula Vincom Pvt Ltd					6250	16.67	6250	16.67	6250	16.67	6250	16.67
Churni Vinimay Pvt Ltd					7500	20.00	7500	20.00	7500	20.00	7500	20.00
Marigold Tradecom Pvt Ltd					5000	13.33	5000	13.33	5000	13.33	5000	13.33
Matrix Tracom Pvt Ltd					5000	13.33	5000	13.33	5000	13.33	5000	13.33
Vanaspati Vinimay Pvt Ltd					8750	23.33	8750	23.33	8750	23.33	8750	23.33
Hema Bhatia			13,750	36.67								
Nikhil Bhatia			23,750	63.33								

( in Lacs)

<b>Reserve &amp; Surplus</b>	As at 30.09.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013
<b>NOTE 2</b>						
<b>Securities Premium Reserve</b>						
<b>Opening Balance</b>	95.75	95.75	95.75	95.75	146.25	146.25
Add: Credited During The Year	-	-	-	-	-	-
Less: Utilised During The Year	94.28	-	-	-	50.50	-
<b>Closing Balance</b>	<b>1.47</b>	<b>95.75</b>	<b>95.75</b>	<b>95.75</b>	<b>95.75</b>	<b>146.25</b>
<b>Surplus</b>						

<b>Opening Balance</b>	203.88	156.11	125.18	94.70	59.63	39.62
(+)Net Profit / Net Loss	131.07	47.77	30.93	34.21	35.07	20.01
(+)Transfer From Reserves	-	-	-	-	-	-
(-)Issue Of Bonus Shares	(214.78)					
(-)Proposed Dividends				(0.19)		
(-)Transfer To Reserves						
(-) Assets Written Off				(3.54)		
<b>Closing Balance</b>	<b>120.17</b>	<b>203.88</b>	<b>156.11</b>	<b>125.18</b>	<b>94.70</b>	<b>59.63</b>
<b>Total Reserves &amp; Surplus</b>	<b>121.64</b>	<b>299.63</b>	<b>251.86</b>	<b>220.93</b>	<b>190.45</b>	<b>205.88</b>

### NOTE 3

<b>Long Term Borrowings</b>	0.00	0.00	0.00	0.00	0.00	0.00
Hdfc Bank (I -20)	0.00	0.00	0.97	3.01	8.01	28.88
Hdfc Bank Audi Q 5)	33.72	38.57	0.00	0.00	0.00	0.00
Icici Bank	0.00	0.32	3.46	0.00	0.61	2.20
(Hypothecation Of Respective Motor Car)	0.00	0.00	0.00	0.00	0.00	0.00
<u>Loans From Related Parties:</u>	0.00	0.00	0.00	0.00	0.00	0.00
Unsecured	66.96	110.34	105.69	5.39	38.63	100.69
<u>LOANS FROM OTHER PARTIES:</u>	0.00	0.00	0.00	0.00	0.00	0.00
UNSECURED	0.00	0.00	36.83	33.24	50.99	25.43
	<b>100.68</b>	<b>149.23</b>	<b>146.94</b>	<b>41.64</b>	<b>98.24</b>	<b>157.20</b>

### Note 4

<b>Long Term Provisions</b>						
<b>Provision For Gratuity</b>						
Opening Balance	15.78	8.60	5.76	3.95	2.13	-
During The Year	2.27	7.18	2.84	1.80	1.83	2.13
Total	18.04	15.78	8.60	5.76	3.95	2.13
Less: Treated As Short Term	0.42	0.37	0.12	0.05	0.02	0.02
	-	-	-	-	-	-
Closing Balance	<b>17.62</b>	<b>15.40</b>	<b>8.48</b>	<b>5.71</b>	<b>3.93</b>	<b>2.11</b>

### Note 5

<b>Short Term Borrowings</b>						
<u>Loan From Banks:</u>						
Secured:						
Hdfc Bank C.C. A/C	150.56	134.13	25.70	153.55	115.59	9.77
(Secured Against Stock And Collateral Securities Of Directors)	-	-	-	-	-	-
Hdfc Bank O.D. A/C	219.39	125.26	(1.80)	123.16	130.77	0.64
(Secured Against Hypothecation Of Card Receivables)	-	-	-	-	-	-
	<b>369.95</b>	<b>259.39</b>	<b>23.90</b>	<b>276.70</b>	<b>246.36</b>	<b>10.41</b>

### Note 6

<b>Trade Payables</b>						
Sundry Creditors For Goods	1,774.09	1,598.41	1,182.32	1,115.86	942.96	508.18
Creditors For Expenses	77.91	33.09	23.96	14.41	39.62	34.87
Creditors For Others	10.08	39.49	61.22	61.26	66.88	14.73
	<b>1,862.08</b>	<b>1,670.99</b>	<b>1,267.50</b>	<b>1,191.52</b>	<b>1,049.47</b>	<b>557.78</b>

<b>Note 7</b>						
<b>Other Current Liabilities</b>						
Hdfc Car Loan	16.43	17.66	2.55	12.84	25.33	25.33
Icici Bank Car Loan	2.45	3.85	3.85	0.79	1.94	1.94
Advance From Customers						73.39
	<b>18.88</b>	<b>21.51</b>	<b>6.39</b>	<b>13.63</b>	<b>27.27</b>	<b>100.65</b>

<b>Note 8</b>						
<b>Short Term Provisions</b>						
Provision For Taxation	63.83	23.55	16.58	18.45	14.96	8.19
Provision For Others	4.20			0.23		
Provision For Gratuity	0.42	0.37	0.12	0.05	0.02	0.02
	<b>68.45</b>	<b>23.92</b>	<b>16.70</b>	<b>18.72</b>	<b>14.98</b>	<b>8.21</b>

<b>NOTE 10</b>						
<b>INVENTORIES</b>						
TRADED GOODS	1,292.62	1,273.44	894.29	958.59	839.09	388.11
	<b>1,292.62</b>	<b>1,273.44</b>	<b>894.29</b>	<b>958.59</b>	<b>839.09</b>	<b>388.11</b>

<b>Note 11</b>						
<b>Trade Receivable</b>						
Debt Outstanding For More Than 6 Months	182.64	102.71	111.76	-	-	-
<b>OTHERS</b>	515.09	401.54	175.36	335.83	343.22	313.89
	<b>697.73</b>	<b>504.25</b>	<b>287.12</b>	<b>335.83</b>	<b>343.22</b>	<b>313.89</b>
Amount due from Directors/Group Companies/Promoters	222.03	176.83	146.75	167.76	167.76	117.53

<b>Note 12</b>						
<b>Cash And Cash Equivalents</b>						
Cash On Hand	114.65	87.22	93.76	14.70	40.92	48.36
Balances With Schedule Bank:	-	-	-	-	-	-
Hdfc Bank	62.88	47.04	53.36	58.98	45.87	0.67
Rajkot Nagrik Sahkari Co-Op Bank Ltd	0.05	0.05	0.05	-	-	-
Rajkot Nagrik Sahkari Co-Op Bank Ltd	51.51	23.87	43.19	14.49	0.44	6.90
	<b>229.09</b>	<b>158.18</b>	<b>190.35</b>	<b>88.17</b>	<b>87.23</b>	<b>55.93</b>

<b>NOTE 13</b>						
<b>SHORT TERM LOANS AND ADVANCES</b>						

OTHERS:						
SHOP DEPOSIT	43.16	35.16	26.67	13.12	4.61	6.11
OTHERS, CONSIDERED GOOD:	107.09	58.36	65.62	172.29	181.50	76.19
	<b>150.25</b>	<b>93.52</b>	<b>92.29</b>	<b>185.41</b>	<b>186.11</b>	<b>82.30</b>
Amounts due from Directors / Promoters / Promoter Group Companies / Relatives of Promoters / Relatives of Directors / Subsidiary Companies	-	-	-	-	-	-

#### Note 14

##### Other Income

Debit Note A/C	1,123.18	1,084.48	742.24	729.47	519.64	379.37
Credit Note	(62.50)	(174.45)	(97.72)	(60.24)	(39.74)	(33.39)
Other Income	14.52	1.18	-	-	1.78	0.05
Vatav Kasar A/C	(3.13)	4.57	2.09	0.07	1.56	2.64
Interest Received	-	0.21	0.06	0.16	-	-
	<b>1,072.07</b>	<b>915.97</b>	<b>646.67</b>	<b>669.46</b>	<b>483.24</b>	<b>348.67</b>

#### NOTE 15

##### INCREASE (DECREASE) IN INVENTORY

OPENING STOCK	1,273.44	894.29	958.59	839.09	388.11	251.49
LESS: CLOSING STOCK	1,292.62	1,273.44	894.29	958.59	839.09	388.11
	<b>(19.18)</b>	<b>(379.15)</b>	<b>64.30</b>	<b>(119.50)</b>	<b>(450.98)</b>	<b>(136.62)</b>

#### Note 16

##### Employee Benefit Expenses

Bonus & Incentives Expenses	5.68	13.08	37.23	47.93	25.66	15.82
Directors Remuneration	18.00	24.00	12.00	12.00	12.00	12.00
E.P.F.& E.S.I	0.68	2.05	2.74	2.28	2.24	2.35
Salary Expenses	151.39	215.11	161.51	169.69	141.37	118.91
Staff Welfare	-	2.68	2.54	4.45	1.46	2.78
Gratuity	2.27	7.18	2.84	1.80	1.83	2.13
	<b>178.02</b>	<b>264.10</b>	<b>218.85</b>	<b>238.15</b>	<b>184.55</b>	<b>153.98</b>

#### Note 17

##### Financial Costs

Bank Charges A/C	0.03	0.05	0.06	0.08	0.29	0.18
Hdfc Bank Charges	25.15	43.71	14.46	15.43	12.77	8.30
Bank Interest A/C.	15.04	6.79	16.92	12.46	11.48	4.81
Processing Fees	1.33	0.94	0.79	0.93	1.67	0.31
Interest Expenses	4.20	14.47	6.98	10.30	17.30	25.87
	<b>45.75</b>	<b>65.96</b>	<b>39.20</b>	<b>39.19</b>	<b>43.51</b>	<b>39.48</b>

#### Note 18

##### Other Expenses

Payment To Auditor:						
As Auditor	0.18	0.15	0.15	0.15	0.15	0.15
As Tax Auditor	0.08	0.05	0.05	0.05	0.05	0.05



<b>Rent, Rates &amp; Taxes:</b>						
Professional Tax A/C	1.92	0.97	1.33	1.14	0.68	0.29
Smc Taxes	6.03	6.18	2.92	3.14	2.62	1.80
Custom Duty			29.11	10.64		
Stamp Duty				0.04		
Vat Paid(Cst)	0.19			2.79		
Cgst Expenses	0.33					
Sgst Expenses	0.33					
Income Tax		0.47				
Rent	76.86	112.66	98.08	74.68	58.24	51.43
Repair & Maintenance	43.84	87.47	65.58	43.31	33.14	19.36
<b>Miscellaneous Expenses:</b>						
Accountant Fee		0.29	0.20	0.24	0.24	0.19
Advertisement Exp.	44.08	82.92	64.56	99.72	106.29	31.79
Commission Expenses		0.04	0.07	0.11	0.12	-
Clearing & Forwarding			3.79	4.20		
Cmc & N Form Chgs				0.01		
Computer Expenses	2.38	1.02	0.09	1.48	0.99	2.16
Donation	1.15	0.39	5.06	0.06	0.41	-
Electric Repair & Maintenance Exp	25.51	15.49	0.82	0.35	0.44	1.40
Electricity Expenses		36.02	35.10	29.55	22.97	23.45
Exchange Diff			0.61	(1.00)		
Interest On Tds	0.02	0.02	0.00	0.02		
Insurance Expense	4.63	5.05	5.69	6.13	3.90	3.28
Legal & Consulting Exp	0.26	1.24	6.28	3.52	0.81	2.28
Mobile Bills Exp.	1.94	5.33	5.89	6.08	4.27	3.85
Pine Labs Processing Charge	0.33	0.51	0.89	0.77	2.38	0.95
Postage & Courier Exp.	0.05	2.78	0.75	1.03	0.65	1.89
Printing & Stationary A/C	1.19	4.02	4.36	14.08	8.62	6.44
Preliminary Expenses Written Off	-	-	-	-	-	0.09
Roc Fees		0.01	0.02	0.04	0.04	
Sales Promotion A/C	2.21	216.20	14.84	95.17	33.44	8.78
Shop Maintenance	0.68	0.88	0.64	0.33	0.94	-
Shop Expenses	6.07	33.32	33.75	13.86	10.42	8.50
Telephone Expenses		0.15	0.44	0.30	0.58	0.56
Trademark Exp				0.04		
Travelling Expenses	27.62	64.72	50.86	34.11	21.64	15.77
Web Designing Exp	1.36	-	0.19	0.15	0.14	-
Wall Painting Exp	0.61	3.24	8.46	5.07	-	-
Vehicle Expense	1.58	4.09	6.57	4.97	4.44	5.41
Xerox Exp	-	0.02	0.06	0.06		
Internet & Vpn Connection Expenses	1.29	4.60	4.61	4.48	2.40	1.15
Misc & Others Expenses		0.57	2.25			
	<b>252.69</b>	<b>690.86</b>	<b>454.04</b>	<b>460.86</b>	<b>321.01</b>	<b>191.01</b>

**ANNEXURE -B**

**STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGES AS SECURITY**

Name of Lender	Type of Loan Facility	Amount Sanctioned	Amount Outstanding as at September 30, 2017	Amount Outstanding as at March 31, 2017	Amount Outstanding as at March 31, 2016	Amount Outstanding as at March 31, 2015	Amount Outstanding as at March 31, 2014	Amount Outstanding as at March 31, 2013	Rate of Interest (%)	Repayment Schedule	Security
HDFC Bank TL	Term Loan (a/c.No. 22234866)	35.00 lakhs (As per sanction letter 12/09/2012)	-	-	-	5.46	17.68	28.75	9.40%	In 36 Monthly Installments Of Rs. 1,11,950	Hypothecation of Mercedes to bank
HDFC Bank TL	Term Loan (a/c.No.2218755)	31.00 lakhs (As per sanction letter 01/09/2012)	-	-	-	4.83	15.66	25.46	9.36%	IN 36 MONTHLY INSTALLMENTS OF Rs. 99,100	Hypothecation of Audi Q 3 to bank
HDFC Bank TL	Term Loan (a/c.No.29603476)	6.50 lakhs (As per sanction letter 06/09/2014)	-	1.23	3.51	5.56	-	-	10.77%	In 36 Monthly Installments Of Rs. 21,210	Hypothecation of I- 20 to bank
HDFC Bank TL	Term Loan (a/c. no. 46784555)	55 lakhs (As per sanction letter 30.03.2017)	50.15	55.00	-	-	-	-	9.01%	IN 48 MONTHLY INSTALLMENTS OF Rs.1,36,895	Hypothecation of Audi Q 5 to bank
ICICI Bank TL	Term Loan (A/c. No. LASUR00026587009)	5 lakhs (As per sanction letter 06.08.2012)	-	-	-	0.79	2.55	4.14	10.18%	IN 36 MONTHLY INSTALLMENTS OF Rs. 16,175	Hypothecation of Swift to bank

ICICI Bank TL	Term Loan (A/c. No. LTSUR0032282541)	9.65 lakhs (As per sanction letter 05.05.2015)	2.45	4.17	7.31	-	-	-	12.01 %	IN 36 MONTHLY INSTALLMENT S OF Rs. 32,057	Hypothecation of Harley Davidson to bank
HDFC Bank CC	Cash Credit (A/c.No. 02518430000043)	200 lakhs (As per revised sanction letter 09.05.2017)	150.56	134.13	25.70	153.55	115.59	9.77	9.25% p.a. (BASE RATE + 1.10%)	Monthly rests, unless otherwise specified	<p>(1) Primary Security: For CC : Hypothecation of Stocks &amp; Book Debts (25% margin against Stock up to 180 Days and 50% margin against book debt up to 90 days)</p> <p>(2) Collateral Securities: For CC: Existing LTV of 60% to be maintained for the ODAP Limit of Rs 200 Lacs and 82% Collateral cover will be maintained for the MEOD Limit.( The Total Collateral cover to be at least 121% of the total limits of Rs 430 lacs).</p> <p>(3) Common collateral for CC, OD: Collateral security of following properties as per revised sanction letter 09.05.2017: 1.Shop No. 1 &amp; 2, Gr Floor, Radhika Tower, Dumas Road, piplod, Surat. Area: 798.00 sq.ft. 2. Shop No.</p>

											322,323,324,325 Upper gr Floor, Poddar Arcade, nr Railway Station, Khand Bazar, Varachha Road, Surat. Area: 368.00 sq.fts of each shop. 3. Shop No HG- 9; Higher Ground Floor, Laxmi Villas, B/S Kotak House, Ghod Dod Road, Surat.Area: 775.00 sq.fts.
HDFC Bank OD	OD (a/c. no. 02512790 001319)	230 lakhs (As per revised sanction letter 09.05.2 017)	219.39	125.26	(1.80)	123.16	130.77	0.64	9.25% p.a. (BASE RATE + 1.10%)	Monthly rests, unless otherwise specified	(1) Primary Security: For OD : Hypothecation of credit card receivables.  (2) Collateral Securities: For OD: Existing LTV of 60% to be maintained for the ODAP Limit of Rs 200 Lacs and 82% Collateral cover will be maintained for the MEOD Limit.( The Total Collateral cover to be at least 121% of the total limits of Rs 430 lacs). (3) Common collateral for CC, OD: Collateral security of following properties as per revised sanction letter 09.05.2017: 1.Shop No. 1 & 2, Gr Floor, Radhika Tower, Dumas Road, piplod, Surat. Area: 798.00 sq.fts.

											2. Shop No. 322,323,324,325 Upper gr Floor, Poddar Arcade, nr Railway Station, Khand Bazar, Varachha Road, Surat. Area: 368.00 sq.fts of each shop. 3. Shop No HG-9; Higher Ground Floor, Laxmi Villas, B/S Kotak House, Ghod Dod Road, Surat.Area: 775.00 sq.fts.
NOTE 1 :											
All Fund based and Non fund based, Joint and Several Gaurantee by following parties.											
1	Harbanslal Bhatia										
2	Sanjeev Bhatia										
3	Garima Bhatia										
4	Hema Bhatia										
5	Nikhil Bhatia										
NOTE 2:											
1	The original amount sanctioned in Term Loan (A/c.No. 22234866) was of Rs.35 lacs as per the sanction letter as on 12/09/2012.										
2	The original amount sanctioned in Term Loan (A/c. No. 22218755) was of Rs. 31 lacs as per the sanction letter as on 01/09/2012.										
3	The original amount sanctioned in Term Loan (A/c. No. 29603476) was of Rs. 6.5 lacs as per the sanction letter as on 06/09/2014.										
4	The original amount sanctioned in Term Loan (A/c. No. LTSUR00032282541) was of Rs 9.65 lakhs as per the sanction letter as on 05/05/2015.										
5	The original amount sanctioned in Term Loan (A/c. No. 46784555) was of Rs. 55 lakhs as per the sanction letter as on 30/03/2017.										
6	The original amount sanctioned in Term Loan (A/c. No. LTSUR00026587009) was of Rs. 5 lakhs as per the sanction letter as on 06/08/2012.										
7	The original amount sanctioned in Cash Credit (A/c. No. 02518430000043) was of Rs. 80 lacs as per the sanction letter as on 06/10/2010.										
8	The original amount sanctioned in Over Draft(A/c. No. 02512790001319) was of Rs. 30 lacs as per the sanction letter as on 31/08/2010.										

**STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS**

Details Of Unsecured Loans outstanding as at the end of the respective periods from Directors/Promoters/Promoter Group/Associates/Relatives Of Directors/Group Companies

**A. Unsecured Loans from Promoters/Directors are chargeable to interest at rates mentioned and are repayable on demand.**

**1 Name : Garima Bhatia**

Rate of Interest- 15%

Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance	20.74	15.58	0.58	6.18	14.86	1.18
Amount Received/credited	6.00	5.16	16.30	0.58	2.22	18.92
Amount repaid/adjusted	20.72	-	1.30	6.18	10.91	5.24
Outstanding Amount	6.02	20.74	15.58	0.58	6.18	14.86

**2 Name : Harbanslal Bhatia**

Rate of Interest- 15%

Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance	10.37	0.29	0.25	3.45	15.08	4.51
Amount Received/credited	-	10.08	0.04	9.17	12.08	11.08
Amount repaid/adjusted	9.56	-	-	12.37	23.71	0.52
Outstanding Amount	0.81	10.37	0.29	0.25	3.45	15.08

**3 Name : Nikhil Bhatia**

Rate of Interest- 9%

Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance	22.56	20.09	0.50	12.98	9.87	-
Amount Received/credited	-	13.57	27.44	16.48	3.11	14.87
Amount repaid/adjusted	22.40	11.10	7.85	28.96	-	5.00
Outstanding Amount	0.16	22.56	20.09	0.50	12.98	9.87

**4 Name : Sanjeev Bhatia**

Rate of Interest- 9%

Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance	35.51	50.05	0.52	0.49	0.69	1.78
Amount Received/credited	36.00	21.47	52.43	31.22	15.53	24.87
Amount repaid/adjusted	34.80	36.00	2.90	31.18	15.73	25.95

Outstanding Amount	36.71	35.51	50.05	0.52	0.49	0.69
<b>B. Unsecured Loans which is outstanding from Relatives of Promoters/Directors are chargeable to interest at rates mentioned and are repayable on demand.</b>						
<b>1 Name : Hema Bhatia</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance	0.44	3.71	-	3.27	3.41	1.63
Amount Received/credited	3.00	0.44	4.21	0.09	6.16	5.93
Amount repaid/adjusted	-	3.71	0.50	3.36	6.30	4.15
Outstanding Amount	3.44	0.44	3.71	-	3.27	3.41
<b>2 Name :Kamlesh kumari Bhatia</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance	0.18	0.16	-	5.02	5.26	0.21
Amount Received/credited	-	0.02	0.16	0.14	4.22	10.11
Amount repaid/adjusted	-	-	-	5.15	4.47	5.06
Outstanding Amount	0.18	0.18	0.16	-	5.02	5.26
<b>3 Name : Naresh Bhatia</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance	0.76	1.31	-	2.55	6.02	14.82
Amount Received/credited	-	0.10	1.31	0.07	6.73	2.96
Amount repaid/adjusted	0.25	0.65	-	2.62	10.20	11.77
Outstanding Amount	0.51	0.76	1.31	-	2.55	6.02
<b>4 Name : Bhatia Electronics</b>						
Rate of Interest- 12%						
Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance				3.35	3.02	2.01
Amount Received/credited				0.09	0.33	51.01
Amount repaid/adjusted				3.44	-	50.00
Outstanding Amount				-	3.35	3.02
<b>5 Name : Bhatia Trading Co.</b>						

Rate of Interest- 12%						
Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance						5.70
Amount Received/credited						0.81
Amount repaid/adjusted						6.50
Outstanding Amount						-
<b>6 Name : Modern Commodeal P Ltd</b>						
Rate of Interest- 9%						
Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance				1.36	42.48	39.30
Amount Received/credited				-	1.36	6.49
Amount repaid/adjusted				1.36	42.48	3.30
Outstanding Amount				-	1.36	42.48
<b>7 Name : Harbanslal Bhatia HUF</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance	7.69	3.44	0.08			
Amount Received/credited		5.16	3.86	10.09		
Amount repaid/adjusted	0.65	0.90	0.50	10.02		
Outstanding Amount	7.04	7.69	3.44	0.08		
<b>8 Name : Nikhil Bhatia HUF</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance	2.25	3.11	1.20			
Amount Received/credited	-	0.31	2.95	22.50	-	-
Amount repaid/adjusted	-	1.16	1.04	21.30	-	-
Outstanding Amount	2.25	2.25	3.11	1.20	-	-
<b>9 Name : Sanjeev Bhatia HUF</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance	9.83	7.97	2.27			



Amount Received/credited	-	4.11	12.20	13.52	-	-
Amount repaid/adjusted	-	2.25	6.50	11.25	-	-
Outstanding Amount	9.83	9.83	7.97	2.27	-	-
<b>C.Unsecured Loans from Shareholders/ Inter Corporate Deposits are chargeable to interest at rates mentioned and are repayable on demand.</b>						
<b>1 Name :Aconite Commercial Pvt Ltd</b>						
Rate of Interest- 12%						
Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance						12.28
Amount Received/credited	-	-	-	-	-	1.01
Amount repaid/adjusted	-	-	-	-	-	13.29
Outstanding Amount	-	-	-	-	-	-
<b>2 Name : Amit Bhatia</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening Balance				1.72	1.21	1.21
Amount Received/credited	-	-	-	0.06	0.51	0.15
Amount repaid/adjusted	-	-	-	1.77	-	0.14
Outstanding Amount	-	-	-	-	1.72	1.21
<b>3 Name : Anita Gandhi</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30,2017	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
Opening Balance				1.79	1.55	1.55
Amount Received/credited	-	-	-	0.06	0.23	0.21
Amount repaid/adjusted	-	-	-	1.84	-	0.20
Outstanding Amount	-	-	-	-	1.79	1.55
<b>4 Name : Gagan Bhatia</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30,2017	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013

Opening Balance				1.71	1.20	1.20
Amount Received/credited	-	-	-	0.05	0.51	0.14
Amount repaid/adjusted	-	-	-	1.77	-	0.14
Outstanding Amount	-	-	-	-	1.71	1.20
<b>5 Name : Hemant Bhatia</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30,2017	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
Opening Balance				2.98	2.59	4.83
Amount Received/credited	-	-	-	0.10	0.39	0.59
Amount repaid/adjusted	-	-	-	3.07	-	2.82
Outstanding Amount	-	-	-	-	2.98	2.59
<b>6 Name : Kishanlal Bhatia</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30,2017	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
Opening Balance				3.96	3.14	3.14
Amount Received/credited	-	-	-	0.13	0.81	0.38
Amount repaid/adjusted	-	-	-	4.08	-	0.37
Outstanding Amount	-	-	-	-	3.96	3.14
<b>7 Name : Landmark Marketing Pvt Ltd.</b>						
Rate of Interest- 12%						
Particulars	As At					
	September 30,2017	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
Opening Balance	-	12.28	11.08	12.30	11.10	12.28
Amount Received/credited	-	0.38	1.20	1.08	1.20	1.10
Amount repaid/adjusted	-	12.66	-	2.30	-	2.28
Outstanding Amount	-	-	12.28	11.08	12.30	11.10
<b>8 Name : Prabha Distributors Pvt Ltd</b>						
Rate of Interest- 9%						
Particulars	As At					

	September 30,2017	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
Opening Balance						10.86
Amount Received/credited	-	-	-	-	-	0.75
Amount repaid/adjusted	-	-	-	-	-	11.61
Outstanding Amount	-	-	-	-	-	-
<b>9 Name : Pushpa Bhatia</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30,2017	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
Opening Balance				4.37	3.80	3.80
Amount Received/credited	-	-	-	0.14	0.57	0.50
Amount repaid/adjusted	-	-	-	4.51	-	0.50
Outstanding Amount	-	-	-	-	4.37	3.80
<b>10 Name : Shakuntala Bhatia</b>						
Rate of Interest- 15%						
Particulars	As At					
	September 30,2017	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
Opening Balance				0.95	0.82	0.72
Amount Received/credited	-	-	-	0.03	0.12	0.20
Amount repaid/adjusted	-	-	-	0.98	-	0.09
Outstanding Amount	-	-	-	-	0.95	0.82
<b>11 Name : Burgandy Suppliers P Ltd</b>						
Rate of Interest- 12%						
Particulars	As At					
	September 30,2017	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
Opening Balance						
Amount Received/credited	-	-	-	-	-	27.40
Amount repaid/adjusted	-	-	-	-	-	27.40
Outstanding Amount	-	-	-	-	-	-
<b>12 Name : Mahalaxmi Commotrade Pvt Ltd</b>						

Rate of Interest- 12%						
Particulars	As At					
	September 30,2017	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
Opening Balance		24.55	22.16	21.22		
Amount Received/credited	-	0.88	2.39	2.16	21.22	-
Amount repaid/adjusted	-	25.43	-	1.22	-	-
Outstanding Amount	-	-	24.55	22.16	21.22	-
<b>13 Name : Xavier Textrade P Ltd</b>						
Rate of Interest- 12%						
Particulars	As At					
	September 30,2017	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
Opening Balance						
Amount Received/credited	-	-	-	-	-	37.98
Amount repaid/adjusted	-	-	-	-	-	37.98
Outstanding Amount	-	-	-	-	-	-
<b>14 Name : Dress Zone</b>						
Rate of Interest- NIL						
Particulars	As At					
	September 30,2017	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
Opening Balance						
Amount Received/credited	-	-	-	-	19.00	-
Amount repaid/adjusted	-	-	-	-	19.00	-
Outstanding Amount	-	-	-	-	-	-

**ANNEXURE - D**  
( in Lacs)

**STATEMENT OF DEFERRED TAX ASSETS / (LIABILITIES)**

Sr. No.	Particulars	As at					
		30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A	Opening Balance of Deferred Tax Asset / (Liability)	(5.86)	(7.72)	(9.32)	(11.77)	(10.49)	(7.94)
-	<u>Differed Tax Asset / Liability during the year</u>	-					

B	DTA / (DTL) on Timing Difference in Depreciation as per Companies Act and Income Tax Act.	(0.51)	(0.36)	0.73	1.89	(1.85)	(3.20)
C	Adjustment to DTA/DTL due to change in rate of tax	(0.14)	-	-	-	-	-
D	DTA / (DTL) on carry Forward Losses	-	-	-	-	-	-
E	DTA/(DTL) on preliminary & preoperative exp.	-	-	-	-	-	-
F	Reversal of DTA created on preliminary & preoperativr exp.	-	-	-	-	-	-
G	DTA / (DTL) on allowances and disallowances u/s. 43B of Income Tax Act	0.68	2.22	0.88	0.56	0.56	0.66
H	Provision of DTA / (DTL) for the period of audit (B + C + D)	0.03	1.86	1.61	2.45	(1.29)	(2.55)
I	<b>Closing Balance of Deferred Tax Asset / (Liability) (A + E)</b>	<b>(5.82)</b>	<b>(5.86)</b>	<b>(7.72)</b>	<b>(9.32)</b>	<b>(11.77)</b>	<b>(10.49)</b>

ANNEXURE -E1  
( in Lacs)

Note 9: Fixed Assets Chart as per Companies Act

	Particulars	As at 30.09.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013
<b>i</b>	<b>Tangible Assets</b>						
<b>1</b>	<b>Vehicles</b>						
	Gross Block	187.14	177.24	117.74	105.36	98.18	98.18
	Less: Accumulated Depreciation	66.00	54.93	42.53	28.37	15.65	6.32
	Net Block	121.14	122.30	75.22	76.99	82.53	91.86
<b>2</b>	<b>Office Equipments</b>						
	Gross Block	85.49	64.94	40.59	31.71	26.48	21.15
	Less: Accumulated Depreciation	14.06	11.60	8.65	6.34	4.33	3.16
	Net Block	71.43	53.34	31.94	25.37	22.16	17.99
<b>3</b>	<b>Furniture &amp; Fittings</b>						
	Gross Block	427.69	338.84	231.73	164.42	117.54	81.12
	Less: Accumulated Depreciation	103.91	85.26	57.13	37.92	21.27	15.30
	Net Block	323.78	253.58	174.60	126.49	96.27	65.81
<b>4</b>	<b>Computer</b>						
	Gross Block	51.10	46.15	36.79	30.36	25.20	21.91
	Less: Accumulated Depreciation	36.71	32.60	26.85	22.77	13.08	9.32
	Net Block	14.39	13.55	9.95	7.59	12.12	12.59
<b>ii</b>	<b>Intangible Assets</b>						
<b>1</b>	<b>Goodwill</b>						
	Gross Block	29.00	29.00	29.00	29.00	29.00	29.00
	Less: Accumulated Depreciation	-	-	-	-	-	-

	Net Block	29.00	29.00	29.00	29.00	29.00	29.00
--	-----------	-------	-------	-------	-------	-------	-------

ANNEXURE - F

STATEMENT OF RELATED PARTY TRANSACTIONS

a. Names of the related parties with whom transactions were carried out during the years and description of relationship: (₹ in Lacs)

Sr. No.	Name	Relation
1	Garima Bhatia #	Directors/key management personnel
2	Harbanslal Bhatia	
3	Nikhil Bhatia	
4	Sanjeev Bhatia	
5	Hema Bhatia	Relative of Directors/key management personnel
6	Kamleshkumari Bhatia	
7	Naresh Bhatia	
8	Harbanslal Bhatia HUF	
9	Nikhil Bhatia HUF ( Bhatia Mobile)	
10	Naresh Bhatia HUF	
11	Sanjeev Bhatia HUF	
12	Mohit Enterprises	Companies/Entity Owned or Significantly influenced by Director/key management personnel or Relatives of Directors/key management personnel /Share holder
13	SNV Distributors Private Limited	
14	E Parisar Tech private limited	
15	Telecity Enterprises LLP	
16	Bhatia Electronics	
17	Bhatia Trading Co.	
18	Bhatia Communications	
19	Modern Commodore P Ltd	
20	HSL Corporation LLP	

# Note: Garima Bhatia have resigned from the part of Director from 05/01/2018.

**1. Transactions with Directors / key management personnel**

Nature of Transactions	For the year ended					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
<b>Transaction During the Year</b>						
<b>Remuneration</b>						
Garima Bhatia	6.00	6.00	3.00	3.00	3.00	3.00
Harbanslal Bhatia	4.50	6.00	3.00	3.00	3.00	3.00
Nikhil Bhatia	4.50	6.00	3.00	3.00	3.00	3.00
Sanjeev Bhatia	4.50	6.00	3.00	3.00	3.00	3.00
<b>Rent paid</b>						
Garima Bhatia	0.60	-	3.60	3.90	3.60	3.60
Harbanslal Bhatia	2.70	5.40	5.40	4.80	4.00	4.00
Nikhil Bhatia	2.10	4.20	4.00	4.00	4.00	4.00
Sanjeev Bhatia	3.78	4.56	3.66	3.66	4.62	4.62
<b>Loan Transactions :</b>						
<b>Garima Bhatia</b>						
<b>Unsecured Loan Taken</b>						
Opening Balance	20.74	15.58	0.58	6.18	14.86	1.18

Amount Received/credited	6.73	5.16	16.30	0.58	2.22	18.92
Amount repaid/adjusted	21.45	-	1.30	6.18	10.91	5.24
Outstanding Amount	6.02	20.74	15.58	0.58	6.18	14.86
<b><u>Harbanslal Bhatia</u></b>						
<b>Unsecured Loan Taken</b>						
Opening Balance	10.37	0.29	0.25	3.45	15.08	4.51
Amount Received/credited	0.39	10.08	0.04	9.17	12.08	11.08
Amount repaid/adjusted	9.95	-	0.00	12.37	23.71	0.52
Outstanding Amount	0.81	10.37	0.29	0.25	3.45	15.08
<b><u>Nikhil Bhatia</u></b>						
<b>Unsecured Loan Taken</b>						
Opening Balance	22.56	20.09	0.50	12.98	9.87	-
Amount Received/credited	0.50	13.57	27.44	16.48	3.11	14.87
Amount repaid/adjusted	22.90	11.10	7.85	28.96	-	5.00
Outstanding Amount	0.16	22.56	20.09	0.50	12.98	9.87
<b><u>Sanjeev Bhatia</u></b>						
<b>Unsecured Loan Taken</b>						
Opening Balance	35.51	50.05	0.52	0.49	0.69	1.78
Amount Received/credited	37.04	21.47	52.43	31.22	15.53	24.87
Amount repaid/adjusted	35.84	36.00	2.90	31.18	15.73	25.95
Outstanding Amount	36.71	35.51	50.05	0.52	0.49	0.69
<b>2.Transaction with Relative of Directors / KMP</b>						
<b>Rent paid</b>						
Hema Bhatia	1.65	3.30	3.00	0.90	0.90	0.90
Kamleshkumari Bhatia	2.70	5.40	5.25	4.20	3.60	3.60
<b>Purchases</b>						
Bhatia Electronics					85.04	106.05
Mohit Enterprises	107.89	98.64	130.53	40.45	2.01	239.22
SNV Distributors Private Limited	-	1,425.17	837.09	1,110.66	574.24	-
Bhatia Mobile (Nikhil bhatia HUF)	-	-	18.34	-	-	-
Telecity enterprises LLP	47.73	124.11				

<b>Sales</b>						
Mohit Enterprises	0.53	(29.15)	33.22	63.37		
SNV Distributors Private Limited	-	16.12	106.94	4.07	-	-
E Parisar Tech private Ltd	304.11	412.13				
Telecity enterprises LLP	57.99					
<b>Loan Transactions : Unsecured Loan Taken</b>						
<b>1 Name : Hema Bhatia</b>						
Rate of Interest- 15%						
<b>Particulars</b>	For the year ended					
	<b>30-Sep-17</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-13</b>
Opening Balance	0.44	3.71	-	3.27	3.41	1.63
Amount Received/credited	3.03	0.44	4.21	0.09	6.16	5.93
Amount repaid/adjusted	0.03	3.71	0.50	3.36	6.30	4.15
Outstanding Amount	3.44	0.44	3.71	-	3.27	3.41
<b>Pref Shares Alloted ( in numbers)</b>	0.14	0.14	-	-	-	-
<b>2 Name : Kamleshkumari Bhatia</b>						
Rate of Interest- 15%						
<b>Particulars</b>	For the year ended					
	<b>30-Sep-17</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-13</b>
Opening Balance	0.18	0.16	-	5.02	5.26	0.21
Amount Received/credited	-	0.02	0.16	0.14	4.22	10.11
Amount repaid/adjusted				5.15	4.47	5.06
Outstanding Amount	0.18	0.18	0.16		5.02	5.26
<b>3 Name : Harbanslal Bhatia HUF</b>						
Rate of Interest- 15%						
<b>Particulars</b>	For the year ended					
	<b>30-Sep-17</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-13</b>
Opening Balance	7.69	3.44	0.08			
Amount Received/credited	0.56	5.16	3.86	10.09		
Amount repaid/adjusted	1.21	0.90	0.50	10.02		
Outstanding Amount	7.04	7.69	3.44	0.08		
<b>4 Name : Nikhil Bhatia HUF ( Bhatia Mobile)</b>						
Rate of Interest- 15%						
<b>Particulars</b>	For the year ended					
	<b>30-Sep-17</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-13</b>
Opening Balance	2.25	3.11	1.20	-		
Amount Received/credited	0.17	0.31	2.95	22.50		
Amount repaid/adjusted	0.17	1.16	1.04	21.30		



Outstanding Amount	2.25	2.25	3.11	1.20		
<b>5 Name : Sanjeev Bhatia HUF</b>						
Rate of Interest- 15%						
<b>Particulars</b>	For the year ended					
	<b>30-Sep-17</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-13</b>
Opening Balance	9.83	7.97	2.27			
Amount Received/credited	0.73	4.11	12.20	13.52		
Amount repaid/adjusted	0.73	2.25	6.50	11.25		
Outstanding Amount	9.83	9.83	7.97	2.27		
<b>6 Name : Naresh Bhatia</b>						
Rate of Interest- 15%						
<b>Particulars</b>	For the year ended					
	<b>30-Sep-17</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-13</b>
Opening Balance	0.76	1.31	-	2.55	6.02	14.82
Amount Received/credited	0.04	0.10	1.31	0.07	6.73	2.96
Amount repaid/adjusted	0.29	0.65	-	2.62	10.20	11.77
Outstanding Amount	0.51	0.76	1.31	-	2.55	6.02
<b>7 Name : Bhatia Electronics</b>						
Rate of Interest- 12%						
<b>Particulars</b>	For the year ended					
	<b>30-Sep-17</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-13</b>
Opening Balance				3.350	3.023	2.011
Amount Received/credited				0.086	0.326	51.012
Amount repaid/adjusted				3.435	-	50.000
Outstanding Amount				-	3.350	3.023
<b>8 Name : Bhatia Trading Co.</b>						
Rate of Interest- 12%						
<b>Particulars</b>	For the year ended					
	<b>30-Sep-17</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-13</b>
Opening Balance						5.70
Amount Received/credited						0.81
Amount repaid/adjusted						6.50
Outstanding Amount						-
<b>9 Name : Modern Commodeal P Ltd</b>						
Rate of Interest- 9%						
<b>Particulars</b>	For the year ended					
	<b>30-Sep-17</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-13</b>
Opening Balance				1.36	42.48	39.30
Amount Received/credited				-	1.36	6.49

Amount repaid/adjusted				1.36	42.48	3.30
Outstanding Amount				-	1.36	42.48
<b>10 Name : Naresh Bhatia HUF</b>						
Rate of Interest- 9%						
<b>Particulars</b>	For the year ended					
	<b>30-Sep-17</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>	<b>31-Mar-13</b>
Opening Balance						
Amount Received/credited				1.02		
Amount repaid/adjusted				1.02		
Outstanding Amount				-		

**MANDATORY ACCOUNTING RATIOS**
**ANNEXURE - G**

(₹ in Lacs)

Particulars		As at					
		30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
A	Face Value per equity Share (in Rs.)	10	10	10	10	10	10
	<b>(Pre Bonus)</b>						
B	Earnings/ (losses) Per Share (in Rs.)						
	Restated Basic Earning/(Losses) per Share[F/I]	3.63	9.27	6.00	6.64	6.81	198.10
	Restated Diluted Earning/(Losses) per Share[F/J]	3.63	8.64	5.60	6.19	6.35	42.03
C	<b>(Post Bonus)</b>						
	Restated Basic Earning/(Losses) per Share[F/K]	2.72	0.99	0.64	0.71	0.73	0.42
	Restated Diluted Earning/(Losses) per Share[F/L]	2.72	0.98	0.64	0.70	0.72	0.41
D	(ii) Return on Net Worth (in %) [F/M]	26.97	13.46	10.07	12.39	14.27	9.50
E	(iii) Net Assets Value per Share (in Rs.) [M/H]	13.34	68.90	59.62	53.62	47.70	2,085.52
F	(a) Net profit available for appropriation (as restated)	13,106,906	4,776,549	3,093,022	3,420,953	3,507,382	2,000,780
G	Numbers of equity shares for calculating EPS.						
H	No. of equity shares outstanding at the end of the year/ period.	3,643,200	515,100	515,100	515,100	515,100	10,100
	<b>( Pre Bonus)</b>						
I	Weighted average numbers of equity shares for calculating Restated Basic EPS.	3,605,905	515,100	515,100	515,100	515,100	10,100
J	Weighted average numbers of equity shares for calculating Restated Diluted EPS.	3,605,905	552,600	552,600	552,600	552,600	47,600
	<b>(Post Bonus)</b>						
K	Weighted average numbers of equity shares for calculating Restated Basic EPS.	4,820,305	4,820,100	4,820,100	4,820,100	4,820,100	4,815,100
L	Weighted average numbers of equity shares for calculating Restated Basic EPS.	4,820,305	4,857,600	4,857,600	4,857,600	4,857,600	4,852,600

M	Net Worth as at the end of the period/year	48,595,653	35,488,747	30,712,198	27,619,176	24,571,169	21,063,787
Note 1. The Restated Basic and Diluted EPS for the period is after considering Bonus issue of shares made in the year FY 2013-14 and FY 2017-18							
	Notes:						
1. The above ratios are calculated as under:							
a) Basic and Diluted Earning per Share =	Net Profit available for appropriation (as restated)						
	Weighted average number of equity shares outstanding during the year						
b) Return on Net Worth(%) =	Net Profit available for appropriation (as restated)						
	Net worth as at the year end						
c) Net Asset Value Per Equity Share =	Net Worth as at the end of the period/year						
	Number of equity shares outstanding at the end of the Year						
2. Net Worth means the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account;							
3. Earnings Per Share (EPS) calculation are in accordance with the Accounting Standard 20 "Earnings Per Share" prescribed under the Companies (Accounting Standards) Rules, 2006.							
4.The figures disclosed above are based on the restated financial information of the Company.							
As on 30/09/2017							
Particulars	As On	By Way Of	No Of Shares	No Of Days Used In The Year	Total No of Days In The Year	Weighted Average No. Shares For Basic & Diluted EPS	Weighted Average No. Shares For Restated Basic EPS
No Shares As On 01-04-2017	4/1/2017	Opening	515,100	183	183	515,100	515,100
Bonus Issue	4/1/2017	Bonus	3,090,600	183	1	3,090,600	3,090,600
Pref shares converted into equity share	9/30/2017	Conversion	37,500	1	1	205	205
No Shares As On 30-09-2017	9/30/2017	Closing	3,643,200	183	183	3,605,905	3,605,905
* The company has issued 12,14,400 equity share as fully paid bonus share as on 05-01-2018.							
For Year 2016-17							
Particulars	As On	By Way Of	No Of Shares	No Of Days Used In The Year	Total No of Days In The Year	Weighted Average No. Shares For Basic & Diluted EPS	Wieghted Average No. Shares For Restated Basic EPS
No Shares As On							

01-04-2016	4/1/2016	Opening	515,100	365	365	515,100	515,100
No Shares As On 31-03-2017	3/31/2017	Closing	515,100	365	365	515,100	515,100
<b>For Year 2015-16</b>							
<b>Particulars</b>	<b>As On</b>	<b>By Way Of</b>	<b>No Of Shares</b>	<b>No Of Days Used In The Year</b>	<b>Total No of Days In The Year</b>	<b>Weighted Average No. Shares For Basic &amp; Diluted EPS</b>	<b>Wiegthed Average No. Shares For Restated Basic EPS</b>
No Shares As On 01-04-2015	4/1/2015	Opening	515,100	366	366	515,100	515,100
No Shares As On 31-03-2016	3/31/2016	Closing	515,100	366	366	515,100	515,100
<b>For Year 2014-15</b>							
<b>Particulars</b>	<b>As On</b>	<b>By Way Of</b>	<b>No Of Shares</b>	<b>No Of Days Used In The Year</b>	<b>Total No of Days In The Year</b>	<b>Weighted Average No. Shares For Basic &amp; Diluted EPS</b>	<b>Wiegthed Average No. Shares For Restated Basic EPS</b>
No Shares As On 01-04-2014	4/1/2014	Opening	515,100	365	365	515,100	515,100
No Shares As On 31-03-2015	3/31/2015	Closing	515,100	365	365	515,100	515,100
<b>For Year 2013-14</b>							
<b>Particulars</b>	<b>As On</b>	<b>By Way Of</b>	<b>No Of Shares</b>	<b>No Of Days Used In The Year</b>	<b>Total No of Days In The Year</b>	<b>Weighted Average No. Shares For Basic &amp; Diluted EPS</b>	<b>Wiegthed Average No. Shares For Restated Basic EPS</b>
No Shares As On 01-04-2013	4/1/2013	Opening	10,100	365	365	10,100	10,100
No Of Shares Issued as Bonus During Current Year		Bonus	505,000	365.00	365	505,000	505,000
No Shares As On 31-03-2014	3/31/2014	Closing	515,100	365	365	515,100	515,100
<b>For Year 2012-13</b>							

Particulars	As On	By Way Of	No Of Shares	No Of Days Used In The Year	Total No of Days In The Year	Weighted Average No. Shares For Basic & Diluted EPS	Weighted Average No. Shares For Restated Basic EPS
No Shares As On 01-04-2012	4/1/2012	Opening	10,100	365	365	10,100	10,100
No Shares As On 31-03-2013	3/31/2013	Closing	10,100	365	365	10,100	10,100

STATEMENT OF TAX SHELTER

ANNEXURE - H  
(₹ in Lacs)

Particulars	For the Year / period ended					
	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
<b>Restated Profit before tax</b>	190.25	69.45	45.76	51.61	51.75	30.25
MAT Rate	18.50	18.50	18.50	18.50	18.50	18.50
Normal Tax Rate	30.00	30.00	30.00	30.00	30.00	30.00
Normal Tax on above	57.07	20.83	13.73	15.48	15.52	9.08
<b>Income from Business or Profession</b>						
<i>To be treated separately</i>						
Bank FD Interest						
IT refund interest						
<b>Permanent Differences:</b>						
Donation	1.15	0.39	5.06	0.06	0.41	-
Income Tax Expenses	0.02	0.02	0.00	0.02	0.02	0.02
Profit/ loss on sale of asset						4.26
VAT	0.19					
Late payment of EPF & ESI	0.20	0.41	0.17	0.08	0.39	0.22
<b>Temporary Difference:</b>						
Difference between book depreciation & tax depreciation	1.69	(1.16)	2.36	3.98	(6.00)	(10.36)
Expenses Disallowed u/s. 43B of the Income Tax Act	-	-	-	-	-	-
Gratuity	2.27	7.18	2.84	1.80	1.83	2.13
Employees Professional tax						
<b>Total</b>	<b>195.75</b>	<b>76.29</b>	<b>56.20</b>	<b>57.55</b>	<b>48.40</b>	<b>26.51</b>
<b>Income From Other Sources</b>						
Bank FD Interest						
IT refund interest						

<b>Total</b>						
<u>Deduction Chapter VIA</u>		0.09	2.53			
<u>Other Adjustments:</u>						
Brought Forward Losses adjusted						
<b>Total Income chargeable to tax</b>	195.75	76.20	53.67	57.55	48.40	26.51
<b>Total Tax Payable:</b>						
Tax Payable for the current year under normal tax-(a)	58.72	22.86	16.10	17.27	14.52	7.95
Tax Payable for the current year under MAT - (b)	35.20	12.85	8.47	9.55	9.57	5.60
Maximum of (a) and (b)	58.72	22.86	16.10	17.27	14.52	7.95
ADD : Surcharge						
Add : Edu Cess and Higher Edu Cess	1.76	0.69	0.48	0.52	0.44	0.24
Tax & Interest thereon payable under assessment of earlier years	-	-	-	-	-	-
<b>Total Tax Payable</b>	<b>60.49</b>	<b>23.55</b>	<b>16.58</b>	<b>17.78</b>	<b>14.96</b>	<b>8.19</b>
Brought Forward Business Loss - Unabsorbed Depreciation						
Note :						
The Figures calculated above are on actual basis.						
In this computation of income gratuity has been disallowed while in the original computation of income same did not exist but there will be no effect on Tax .						

#### ANNEXURE - I

##### Restated Standalone Statement of Contingent Liabilities

(₹ in Lacs)

Particulars	As at					
	30th September, 2017	31st March, 2017	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013
<b>Demand raised by DCIT, Circle 1(1)(1) u/s 143(3) of IT Act,1961</b>	25.55	25.55	25.55	-	-	-

#### ANNEXURE -J

##### Restated Standalone Statement of dividend declared

(₹ in Lacs)

Particulars	for the period ended	For the year ended on 31st March				
	30th September, 2017	2017	2016	2015	2014	2013
<b>Dividend</b>				On 5% non cumulative fully convertible preference Share		
Percentage	0	0	0	5%	0	0
Amount ( in Rs)	0	0	0	0.19	0	0
* No dividend was paid to Equity Shareholders						

#### ANNEXURE -K

**Restated Standalone Capitalisation Statement**

(₹ in Lacs)

<b>Particular</b>	<b>Pre Issue as on 30.09.2017</b>	<b>Post Issue</b>
<b>Debt</b>		
Long Term Debt	100.68	100.68
Short Term Debt	369.95	369.95
<b>Total Debts (A)</b>	<b>470.63</b>	<b>470.63</b>
<b>Equity (shareholders' funds)</b>		
Equity share capital	364.32	504.32
Reserve and surplus	121.64	2081.64
<b>Total Equity (B)</b>	<b>485.96</b>	<b>2585.96</b>
<b>Long Term Debt / Equity Shareholders' funds</b>	<b>0.21</b>	<b>0.04</b>
<b>Total Debt / Equity Shareholders' funds</b>	<b>0.97</b>	<b>0.18</b>



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS 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 Prospectus. You should also read the section entitled "Risk Factors" beginning on page 9, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

### Business Overview

Our Company was incorporated as "Bhatia Communications & Retail (India) Private Limited" under the provision of the Companies Act, 1956 vide certificate of incorporation dated March 25, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Bhatia Communications & Retail (India) Limited" and fresh certificate of incorporation dated January 17, 2018 was issued by the Assistant ROC, Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U32109GJ2008PLC053336.

We are engaged into retail and whole sell distribution business of mobile handsets, tablets, data-cards, mobile accessories, mobile related products etc. We sell smart mobile handsets of all the brands including Apple I-Phone, Samsung, OPPO, GIONEE, VIVO etc, mobile related products, tablets, data cards, accessories under one roof through our owned 72 retail outlets chain located all over the South Gujarat region including Surat, Vapi, Valsad, Navsari, Vyara etc. We also sell cellular mobile devices and accessories of all brand through our 24 franchisee retail chain dealers located in the South Gujarat region.

The existing business was started back in 2008 with a single shop by taking over the running business of partnership firm M/s. Bhatia Watch & Gift and at present under the Brand name of Bhatia Communication/Bhatia Mobile - "The Mobile One stop Shop" the same has expanded its space to more than 96 shops in South Gujarat including franchisees. In the past years we were importing the electronic products but at present we have discontinued the same.

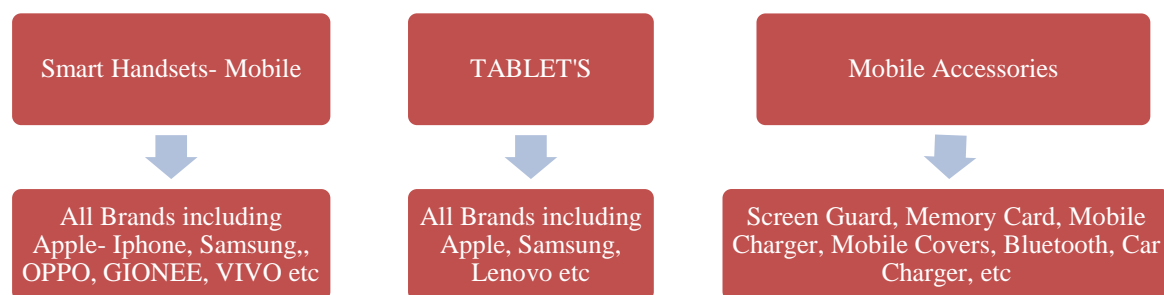
Our Company also provide credit/EMI facilities to its customers for buying our products for which our company has tied up with major leading credit houses like Bajaj Finserv, Capital First etc. Our Company in order to continue relationship with our valuable customers, we also provide after sale services related to mobile handsets and tablets in our own retail and franchisee outlets. Our Company also enjoys warranty on mobiles and tablets components from its suppliers company as back to back. Generally, in case of defect the company gets free replacement or servicing from suppliers company.

Guidance and foresight of our promoters, Shri Sanjeev Bhatia and Shri Harbanslal Bhatia are the driving force behind the growth achieved by the company. Knowledge and experience in the intricacies of the telecommunication markets of our promoters and whole time directors have allowed us to form a base of Trust and Integrity which has become our brand identity namely "Bhatia Communication/Bhatia Mobile- The Mobile One stop Shop". This, along with staying at the forefront of technological progresses has helped us increase our top line and bottom line year on year on year basis. These ideologies have evolved work culture that nourishes calculated risk-taking and operational excellence, resulting in a robust and hardworking team, which is the core strength of our Company. Our Company has shown robust growth during the last five Financial years and for the period ended September 30, 2017. The financial performance of the company for last five years and for the stub period as per restated statement is given below:

(₹. In Lakhs)						
Particulars	September 30, 2017	2016-17	2015-16	2014-15	2013-14	2012-13
Income from	7,451.55					

Operations		12,433.11	8,961.46	10,387.92	9,928.48	7,080.79
Other Income	1,072.07	915.97	646.67	669.46	483.24	348.67
Total Income	8,523.61	13,349.08	9,608.13	11,057.38	10,411.72	7,429.46
Profit before Tax (PBT)	190.25	69.45	45.76	51.61	51.75	30.25
Profit after Tax (PAT)	131.07	47.77	30.93	34.21	35.07	20.01

**Our range of Products includes:**



**Significant developments subsequent to the last financial year:**

After the date of last Audited accounts i.e. September 30,2017, the Directors of our Company confirm that, there have not been any significant material developments except issue of 12,14,,400 equity shares as bonus shares.

**Discussion on Results of Operation:**

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the period ended on September 30, 2017 and for the years ended March 31, 2015, 2016 and 2017.

**Key factors affecting the results of operation:**

Our Company's future results of operations could be affected potentially by the following factors:

- Political Stability of the Country.
- World Economy.
- Government policies for the Telecom Industry.
- Investment Flow in the country from the other countries.
- Competition from existing players:
- Company's ability to successfully implement growth strategy
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate
- Recession in the market
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business
- and financial condition;

**OUR SIGNIFICANT ACCOUNTING POLICIES**

For Significant accounting policies please refer Significant Accounting Policies, "Annexure IV" beginning under Chapter titled "Financial Information of our Company" beginning on page 124 of the Prospectus.

**Financial performance of the stub period for the period ended on September 30, 2017**

Income from continuing operations	Amount in Lacs	Percentage (%)
Revenue from operations	7,451.54	87.42

Other Income	1072.07	12.58
<b>Total Revenue</b>	<b>8,523.61</b>	
<b>Expenses</b>		
Material cost	<b>7820.62</b>	91.75
Employee benefits expense	178.02	2.09
Finance Costs	45.75	0.54
Other expenses	252.69	2.96
Depreciation and amortisation expenses	36.29	0.43
<b>Total Expenses</b>	<b>8,333.37</b>	97.77
Restated profit before tax from continuing operations	<b>190.24</b>	2.23
Exceptional Item		
Tax expense/(income)		
Current tax	58.72	
<b>Total tax expense</b>	<b>58.72</b>	
<b>Restated profit after tax from continuing operations (A)</b>	<b>131.52</b>	1.54

### Income from Operations

The Total income from the Operation for the stub period ended on September 30, 2017 was ₹ 8523.61 Lacs consist of Revenue from Operations of ₹7451.54 and other income of ₹1072.07 lacs. The other income includes mainly debit note raised by the Company for getting the incentives for achieving the targeted performance from the suppliers

### Total Expenditure

The total expenditure for stub period ended on September 30, 2017 was ₹8333.37 which is 97.77 % of the total revenue for the stub period. The major expenditure which is part of the total expenditure is purchase of material amounting to ₹ 7820.62 lacs (91.75 %) and Employee Benefit Expenses amounting to ₹178.02 lacs (2.09%).

### Profit after Tax

The profit after Tax for the stub period was ₹131.52 lacs representing to 1.54 % of the total revenue.

### RESULTS OF OUR OPERATION

Particulars	For the year ended on		
	31.03.2017	31.03.2016	31.03.2015
<b>Income from continuing operations</b>			
Revenue from operations			
Total Revenue	12,433.10	8,961.46	10,387.92
<b>% of growth</b>	38.74	(13.73)	
Other Income	915.97	646.67	669.46
<b>% of growth</b>	41.64	(3.40)	
<b>Total Revenue</b>	<b>13,349.07</b>	<b>9,608.13</b>	<b>11,057.38</b>
	38.94	(13.11)	
<b>Expenses</b>			
Purchase of stock in trade	12,207.17	8,810.53	10230.03
% total Revenue	91.45	91.70	92.52
Employee benefits expense	264.1	218.85	238.15
<b>% Increase/(Decrease)</b>	20.68	(8.10)	
Finance Costs	65.96	39.20	39.19

<b>% Increase/(Decrease)</b>	68.27	0.03	
Other expenses	690.86	454.04	460.86
<b>% Increase/(Decrease)</b>	52.16	(1.48)	
Depreciation and amortisation expenses	51.55	39.75	37.54
<b>% Increase/(Decrease)</b>	29.69	5.89	
<b>Total Expenses</b>	<b>13,279.64</b>	<b>9,562.37</b>	<b>11,005.77</b>
% to total revenue	99.48	99.52	99.53
<b>EBDITA</b>	<b>186.94</b>	<b>124.71</b>	<b>128.34</b>
<b>% to total revenue</b>	<b>1.40</b>	<b>1.30</b>	<b>1.16</b>
<b>Restated profit before tax from continuing operations</b>	<b>69.43</b>	<b>45.76</b>	<b>51.61</b>
Total tax expense	21.68	14.83	17.4
<b>Restated profit after tax from continuing operations (A)</b>	<b>47.75</b>	<b>30.93</b>	<b>34.21</b>
<b>% to total revenue</b>	<b>0.36</b>	<b>0.32</b>	<b>0.31</b>
<b>Restated profit for the year (A + B)</b>	<b>47.75</b>	<b>30.93</b>	<b>34.21</b>
<b>% Increase/(Decrease)</b>	<b>54.38</b>	<b>(9.59)</b>	

### **COMPARISON OF FY 2017 WITH FY 2016:**

#### **Income from Operations**

The company is in Trading business of cell phones. The total income from operations for the FY 2017 was ₹ 13349.07 Lacs as compared to ₹ 9608.13 Lacs during the FY 2016 showing an increase of 38.94 %. The economy of the country is progressing and the digital India concept is also booming. On account of that the Business of the Company increased in FY 2017 as compared to FY2016.

#### **Other Income**

The other income includes mainly debit note raised by the Company for getting the incentives for achieving the targeted performance from the suppliers. The total other income for the FY 2017 was Rs 915.97 lacs as compared to Rs.646.67 lacs for FY 2016 showing increase of 41.64%. The increase of the other income is due to increase in the business volume by the Company by 38.74% in F.Y. 2017 as compared to F.Y. 2016.

#### **Expenditure:**

##### **Material Cost**

The material cost for FY 2017 was ₹12207.17 Lacs which was 91.45% of the total revenue. In FY 2016 the material cost was ₹ 8810.53 lacs which was 91.70 % of total Revenue.

##### **Employee Benefit Expenses**

Employee Benefit expenses increased from ₹218.85 Lacs for FY 2016 to ₹ 264.10 lacs for FY 2017 showing increase of 20.68 %.The increase of employee expenses in FY 2017 was on account of increase of director's remuneration from ₹ 12.00 lacs to ₹ 24 lacs in the FY 2017 compared to FY 2016 and increase of staff on account of increase in the volume of business.

##### **Other Expenses**

Other Expenses increased from ₹ 454.04 Lacs for FY 2016 to ₹690.86 Lacs for FY 2017 showing increase of 52.16%. The increase is on account of increase in Rent, Advertisement expenses and sales promotion expenses in FY 2017 as compared to FY 2016.

##### **Interest & Financial Charges**

Interest and Financial charges increased from ₹39.20 Lacs for FY 2016 to ₹65.96 Lacs for FY 2017 showing increase of 68.27 %.The interest and financial charges in the FY 2017 were more compared to FY 2016 on account of more utilization of short term borrowings of the bank. The interest payment to the bank for FY 2017 was ₹43.71 lacs as compared to ₹ 14.46 lacs for FY 2016.

### **Depreciation**

The Depreciation for FY 2017 was Rs. 51.55lacs as compared to Rs. 39.75 lacs for FY 2016.The depreciation is increased by 29.69 % in FY 2017 as compared to FY 2016 on account of the increase of capital assets by ₹ 204.93 in FY 2017 and depreciation on the additional fixed assets.

### **Profit Before Interest , Depreciation And Taxation(EBDITA)**

The EBDITA for the FY 2017 was 1.40 % of the total revenue which was 1.30 % of total revenue for the FY 2016. The EBDITA is improved in FY 2017 as compared to FY 2016 on account of growth of business of the company by 38.74 % in FY.2017 as compared to FY 2016.

### **Profit after Tax**

PAT increased from ₹ 30.93 Lacs for the FY 2016 to ₹ 47.75 Lacs in FY 2017 showing an increase of 54.38 %. The profit after tax was increased as compared to FY 2016 on account of growth of business of the company by 38.74 % in FY.2017 as compared to FY 2016.

### **COMPARISON OF FY 2016 WITH FY 2015:**

#### **Income from Operations**

The company is in Trading business of cell phones. The total income from operations for the FY 2016 was ₹ 9608.13 Lacs as compared to ₹ 11057.38 Lacs during the FY 2015 showing decrease of 13.11 %. The main reason for reduction of income is overall reduction of business .

#### **Other Income**

The other income includes mainly debit note raised by the Company for getting the incentives for achieving the targeted performance from the suppliers. The total other income for the FY 2016 was Rs 646.67 lacs as compared to Rs.669.46 lacs for FY 2016 showing decrease of 3.40 %. The Decrease of the other income is marginal and on account of more expenses incurred to increase the business volume. The discounts and other expenses for increasing sales is charged to other income against the income received as discount and sales incentives from the suppliers.

#### **Expenditure:**

##### **Material Cost :**

The material cost for FY 2016 was ₹8810.53 Lacs which was 91.70% of the total revenue. In FY 2015 the material cost was ₹ 10230.03 lacs which was 92.52 % of total Revenue.

#### **Employee Benefit Expenses**

Employee Benefit expenses decreased from ₹238.15 Lacs for FY 2015 to ₹ 218.85 lacs for FY 2016 showing decrease of 8.10 %.The Decrease in the employee benefit expenses was on account of less bonus and incentives on account of decrease in the business volume by 13.73 % in FY 2016 as compared to FY 2015.

#### **Other Expenses**

Other Expenses decreased from ₹ 460.86 Lacs for FY 2015 to ₹454.04 Lacs for FY 2016 showing decrease of 1.48 %. The Decrease is on account of decrease of advertisement expenses in FY 2016 as compared to FY 2015.

## **Interest & Financial Charges**

Interest and Financial charges are almost same in both the Financial years.

## **Depreciation**

The Depreciation for FY 2016 was Rs. 39.75 lacs as compared to Rs. 37.54 lacs for FY 2015. The depreciation is increased by 5.89 % in FY 2016 as compared to FY 2015 on account of the addition in the fixed assets of Rs. 95.00 lacs in FY 2016 and depreciation on the additional fixed assets.

## **Profit Before Interest , Depreciation And Taxation(EBDITA)**

The EBDITA for the FY 2016 was 1.30 % of the total revenue which was 1.16 % of total revenue for the FY 2015. The EBDITA is improved in FY 2016 as compared to FY 2015 though the overall business is reduced by 13.73 % as the company had saved in the material cost in FY 2016 as compared to FY 2015. The material cost was 92.45% in FY 2015 as compared to 91.70 % in FY 2016.

## **Profit after Tax**

PAT decreased from ₹ 34.21 Lacs for the FY 2015 to ₹ 30.93 Lacs in FY 2016 showing decrease of 9.59 %. The profit after tax was Decrease as compared to FY 2015 on account of overall business is reduced by 13.73 % .

## **Related Party Transactions**

For further information please refer “Annexure F” beginning on page 156 under Chapter titled “Financial Information of our Company” beginning on page 124 of the Prospectus.

## **Financial Market Risks**

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

## **Interest Rate Risk**

We are currently exposed interest to rate risks to the extent of outstanding loans. However, any rise in future borrowings may increase the risk.

## **Effect of Inflation**

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

## **Information required as per Item (2) (IX) (E) (5) of Part A of Schedule VIII to the SEBI Regulations:**

### **1. Unusual or infrequent events or transactions**

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled ‘Risk Factors’ beginning on page 9 of the Prospectus. To our knowledge, except as we have described in the Prospectus, there are no known factors which we expect to bring about significant economic changes.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled “Risk Factors” beginning on page 9 in the Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our Company’s future costs and revenues will be determined by demand/supply in telecom sector and government telecom policies

**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in revenues are by and large linked to increases in volume of business.

**6. Total turnover of each major industry segment in which the issuer company operated.**

The Company is in the business of trading of cell phone . the relevant industry data , as available, has been included in the chapter titled "industry Overview" beginning on page no 59 of this prospectus.

**7. Status of any publicly announced new products or business segment.**

Our Company has not announced any new product and segment.

**8. The extent to which business is seasonal.**

Our Company’s business is not seasonal. However the business of the company depend upon the Growth potential of the economy and growth of the country

**9. Any significant dependence on a single or few suppliers or customers.**

We are not dependant significantly on single supplier or customers.

**10. Competitive conditions.**

Competitive conditions are as described under the Chapters titled “Industry Overview” and “Business Overview” beginning on pages 59 and 65, respectively of the Prospectus.

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act) against our Company, Promoter, Group Companies and Directors as of the date of this Prospectus that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory liabilities, institutional/ bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.*

Further, our Company has a policy for identification of Material Litigation in terms of the SEBI (ICDR) Regulations, 2009 as amended for disclosure of all pending litigation involving the Issuer, its directors, promoters and group companies, other than criminal proceedings, statutory or regulatory actions and taxation matters where the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess 5 % of the Profit after Tax and such pending cases are material from the perspective of the Issuer's business, operations, prospects or reputation.

The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2009 as amended for creditors where outstanding due to any one of them exceeds 15,00,000 of consolidated trade payables as per the last audited financial statements of the Issuer.

#### PART 1 – Contingent Liabilities of Our Company

Particulars	Amount Disputed(Rupees in Lacs)
Income Tax demand	25.55
<b>TOTAL</b>	<b>25.55</b>

#### PART 2 – LITIGATIONS RELATING TO OUR COMPANY

##### A. FILED AGAINST OUR COMPANY

###### 1) Litigation involving Criminal Laws

NIL

###### 2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

###### 3) Litigation involving Tax Liability

###### i. Direct Tax

###### (a) Income Tax:

###### 1) Assessment Year 2013-14

Our Company has received a notice dated September 02, 2014 under section 143(2) of the Income Tax Act, 1961 for Assessment year 2013-14 for being selected under Computer Assisted Scrutiny Selection (CASS) in connection with its return of income submitted on September 20, 2013. Thereafter a notice u/s 142(1) dated August 12, 2015 was issued calling for basic documents and details to facilitate preparation of a questionnaire. A detailed specific



questionnaire vide notice u/s 142(10) dated August 12, 2015 was subsequently issued for calling for various details, documents and explanations. An Assessment Order dated March 30, 2016 under Section 143(3) of the Income Tax Act, 1961 was passed against the Company by Asst Commissioner of income Tax , Circle 1(1) (1) , Surat for the return of income filed by the Company assessing the income of the Company at Rs. 86,51,456 against the returned income of Rs. 26,51,456 and raising a demand of Rs. 25,54,800. The said income was assessed by addition of share capital under section 68 of the Income Tax Act, 1961. Against the said order the Company filed an appeal dated April 22, 2016 before the Commissioner of Income Tax(Appeals)-I, Surat. The matter is still pending before the CIT(Appeal). Penalty u/s 271(1) (c) is initiated for concealment of Income.

ii. Indirect Tax

NIL

4) Other Pending Litigation

NIL

**B. CASES FILED BY OUR COMPANY**

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

NIL

4) Other Pending Litigation

NIL

**PART 3: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTERS OF THE COMPANY**

**A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS**

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

NIL

4) Other Pending Litigation

NIL

**B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTERS**

1) Litigation involving Criminal Laws

Mr. Sanjeev Harbanslal Bhatia with his family members have made the payment for booking of 23 shops in the scheme Udhna Shopping center, Bamroli Road, Surat. After the payments have been made the Indrasen Siddharam Bhatia and eight other persons have jointly had made breach of trust and with an intention to deprive Mr Sanjeev Harbanslal Bhatia and his family members from the ownership of the shops transferred the payments made by Sanjeev Bhatia and Family in the name of other persons and not hand over the necessary documents of the shops.

Mr. Sanjeev Harbanslal Bhatia has filed criminal complaint on August 21, 2008 in Umra Police Station, Surat against the Indrasen Siddharam Bhatia and eight other persons under section 406, 420, 465, 467, 468, 471 and 120(b) of the Indian penal code for not giving the possession of the shops in the scheme Udhna Shopping center, Bamroli Road, Surat after receiving the payments for the said shops.

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

NIL

4) Other Pending Litigation

NIL

**PART 4: LITIGATION RELATING TO OUR GROUP COMPANIES**

**A. LITIGATION AGAINST OUR GROUP COMPANIES**

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability Direct Tax

NIL

4) Other Pending Litigation

NIL

**B. LITIGATION FILED BY OUR GROUP COMPANIES**

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

### 3) Litigation involving Tax Liability

#### i. Direct Tax

NIL

#### ii. Indirect Tax

NIL

### 4) Other Pending Litigation

NIL

## **PART 6: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS**

As of September 30, 2017, our Company had 143 creditors, to whom a total amount of Rs. 1862.08 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated January 20, 2018, considered creditors amounting to Rs. 1770.33 lacs to whom the amount due exceeds Rs. 15.00 lakhs as per our Company's restated financials for the purpose of identification of material creditors.

Sr.No	Particulars	Amount ( Rs. in Laacs)
1	Amount due to Micro and Small Enterprises	Nil
2	Amount due to Material Creditors.	1770.33
3	Amount due to Other Creditors.	91.75
	Total	1862.08

Further, none of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see website of our Company [www.bhatiamobile.com](http://www.bhatiamobile.com)

Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website [www.bhatiamobile.com](http://www.bhatiamobile.com) would be doing so at their own risk.

## **PART 7: MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled “*Management’s Discussion & Analysis of Financial Conditions & Results of Operations*” beginning on page 167 there have been no material developments that have occurred after the Last Balance Sheet Date.

## GOVERNMENT AND OTHER STAUTORY APPROVALS

In view of the approvals listed below, the Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority except proposed activities of Company or any other entity are required to undertake the Issue or continue its business activities.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

### (A) Approvals for the Issue

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on January 5, 2018 authorised the Issue subject to the approval of the shareholders of the Company under Section 62 (1) (c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to a resolution dated January 5, 2018 passed in the EGM under Section 62 (1) (c) of the Companies Act, 2013 authorised the Issue.
3. The Company has obtained in-principle listing approval from the SME platform of the BSE dated February 2, 2018.
4. The Company has entered into an agreement dated January 31, 2018 with the Central Depository Services (India) Limited (CDSL") and the Registrar and Transfer Agent, who in this case is Purva Sharegistry (India) Private Limited, for the dematerialization of its shares.
5. Similarly, the Company has also entered into an agreement dated January 31, 2018 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Purva Sharegistry (India) Private Limited, for the dematerialization of its shares.
6. The Company's International Securities Identification Number ("ISIN") is INE341Z01017.

### (B) Registration under the Companies Act, 1956:

Sr. No.	Authority Granting Approval	Approval / Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli	U32109GJ2008PTC053336 on March 25, 2008	Companies Act, 1956	Certificate of Incorporation	Valid, till Cancelled
2.	Assistant Registrar of Companies, Registrar of Companies, AHmedabad.	U32109GJ2008PLC053336 on January 17, 2018	Companies Act, 2013	Fresh certificate of Incorporation consequent upon conversion into public limited company	Valid, till Cancelled

### (C) Registration under various Acts/Rules relating to Income Tax, Sales Tax, Value Added Tax, Central Excise and Service Tax :

Sr. No.	Authority Granting Approval	Approval/ Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Income Tax Department- (PAN)*	AADCB3959R	Income Tax Act 1961	Permanent Account Number	Valid, till Cancelled
2.	Income Tax Department-(TAN)	SRTB02380A	Income Tax Act 1961	Tax Deduction and collection	Valid, till Cancelled

				Account Number	
3.	Gujarat Goods and Services Tax Act, 2017*	24AADCB3959R1Z3	Gujarat Goods and Services Tax Act, 2017	Goods and Services Tax	Valid, till Cancelled
4.	Surat Municipal Corporation for Shop No.130,131,and 132 Ambedkar Shopping Center, Opp.: Kinnari Cinema, Ring Road, Umarwada, Surat.*	SEZ/S/Umarwada/965866	Mumbai Shops and Establishment Act, 1948.	Registration Certificates under Shops and Establishment Act, 1948.	Valid up to December 31, 2018.
5.	Surat Municipal Corporation*	List of Registration Certificate No. and office addresses are as per Annexure –A appended herewith.	Mumbai Shops and Establishment Act, 1948.	Registration Certificates under Shops and Establishment Act, 1948.	Annexure –A appended herewith.
6.	Surat Municipal Corporation*	Registration No.: PEC03SE40412	Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976.	Registration Certificates under Professional Tax.	Valid, till Cancelled
7.	Regional Provident Fund Commissioner*	Registration No.: SRSRT0036831000	Employees' Provident Funds & Miscellaneous Provisions Act,1952	Registration with Provident Fund Authority.	Valid, till Cancelled
8.	Foreign Trade Development Officer*	IEC NO.:5208002132	Foreign Trade (Development & Regulation) Act, 1992	Import- Export Code	Valid, till Cancelled
9.	Registrar of Trade Marks*	Trade Mark No.: 2020730 Label "BHATIA'S"	Trade Marks Act,1999	Certificate of Registration of Trade Mark "BHATIA'S"	Valid up to September 9,2020
10.	Deputy Registrar, Copy Right Office,	A-98446/2013 Art work "BHATIA'S THE MOBILE ONE STOP SHOP"	The Copyright Act, 1957.	Certificate of Registration of Art work "BHATIA'S THE MOBILE ONE STOP SHOP"	Valid up to September 9,2020
11.	Registrar of Trade Marks	Trade Mark No.: 2517087 Label "BHATIA'S ELECTRONICS"	Trade Marks Act, 1999	Certificate of Registration of Trade Mark "BHATIA'S ELECTRONICS"	The Trade Mark is in the name of M/s. Bhatia Electronics and is taken on Royalty basis from them by the Company.

**Note: \* All the approvals/Licenses/Registration is in name of Bhatia Communications & Retail (India) Private Limited, company is taking necessary steps to get the same in the name of Bhatia Communications & Retail (India) Limited.**

**Annexure –A**

**Details of Shops and Establishment Registration Certificates.**

<b>Sr. No</b>	<b>Authority Granting Approval</b>	<b>Office Address</b>	<b>Registration No.</b>	<b>Validity</b>
1.	Surat Municipal Corporation	Shop No. 7 Silver Plaza, Nr. Shriram Petrol Pump, Anand Mahal Road, Adajan, Surat- 395009	WZ/S/Adajan/109365	Valid up to December 31, 2018
2.	Surat Municipal Corporation	Shop No. 4, Ground Floor, Silver Plaza Complex Adajan Road, Surat. 395009	WZ/S/Adajan/105086	Valid up to December 31, 2018
3.	Surat Municipal Corporation	Shop No. 7 & 8, Maruti Shopping Center, Opp. Tulsi Restaurant, Amroli Circle, Amroli, Surat 394107	WZ/S/Amaroli/313356	Valid up to December 31, 2019
4.	Surat Municipal Corporation	Shop No.G8, Cross Road Shopping Center, J V Modern School Ni Same, Sayan Road, Surat	NZ/S/Kosad/319965	Valid up to December 31, 2020
5.	Surat Municipal Corporation	Shop No.047/048, Avadh Complex Near Sarthana Jakatnaka, Surat 395006	EZ/S/Sarthana/437066	Valid up to December 31, 2020
6.	Surat Municipal Corporation	Shop No. G-213, Sakar Shopping Center, Beside Mangaldas, Bhatar Road, Surat- 395004	SWZ/S/Majura/609090	Valid up to December 31, 2019
7.	Surat Municipal Corporation	Shop No.3 & 4, Ushna Nagar Group Of Housing Society, Aanjana, Bhathena, Surat.	SEZ/S/Aanjan/1013043	Valid up to December 31, 2020
8.	Surat Municipal Corporation	Bunglo No.4, Krishnanagar Society, Near Choukswadi, Adajan, Surat-395009	WZ/S/Adajan/141865	Valid up to December 31, 2019
9.	Surat Municipal Corporation	B/3, Snehsagar Society, Near Narayannagar, Dhanmora Road, Katargam, Surat- 395004	NZ/S/Katargam/320422	Valid up to December 31, 2020
10.	Surat Municipal Corporation	Shop No.130 To 132, Dr. Ambedkar Shopping Center, Ring Road, Surat- 395002	SEZ/S/Umarwada/965866	Valid up to December 31, 2018

11.	Surat Municipal Corporation	Shop No.L5 To L8, Rajhans Plaza, Ghod Dhod Road, Surat- 395007	SWZ/S/Aathwa/605427	Valid up to December 31, 2018
12.	Surat Municipal Corporation	Shop No.9, M K Chambers, Vrindavan Nagar, Varachha Road, Surat	EZ/S/Navagam/436962	Valid up to December 31, 2020
13.	Surat Municipal Corporation	Shop No.23, Aastik Nagar-5, Godadra Teen Rasta, Near Hari Om Circle, Godadra 395010	SEZ/S/Godadara/1008938	Valid up to December 31, 2019
14.	Surat Municipal Corporation	Plot No.25, Ratnasagar Co-Op. Housing Society, Opp. Sagar Society, Varachha Road, Surat - 395006	EZ/S/Kapodra/434765	Valid up to December 31, 2020
15.	Surat Municipal Corporation	Shop No.6, Walinath Society, Rachana Chowk Surat- 395006	EZ/S/Kapodra/431580	Valid up to December 31, 2019
16.	Surat Municipal Corporation	G-2, Raj Shopping Centre, GIDC Katargam, Fulpada - A.K. Road, Surat - 395004	NZ/S/Katargam/320421	Valid up to December 31, 2020
17.	Surat Municipal Corporation	Plot No.51/A, Pandol Industrial Co-Operative Society Ltd, Ved Road, Surat- 395004	NZ/S/Tunki/317349	Valid up to December 31, 2019
18.	Surat Municipal Corporation	Plot No.1, Laxminagar Navagam Dindoli, Road, Surat - 394210	SEZ/S/Dindoli/1012320	Valid up to December 31, 2020
19.	Surat Municipal Corporation	Plot No. 8 , Deepak Nagar , Opp. Rd Complex , Navagam, Dindoli, Surat-394210	SEZ/S/Dindoli/1012315	Valid up to December 31, 2020
20.	Surat Municipal Corporation	Shop No.1 & 2, Radhika Tower, Nr. Vesu Patiya,Dumas Road, Piplod, Surat- 394370	SWZ/S/Piplod/605987	Valid up to December 31, 2019
21.	Surat Municipal Corporation	Shop No.1, Ploat No.12, Karmayogi Co-Operative Society, G.H.Board, Udhana, Surat -394221	SZ/S/Udhana/535902	Valid up to December 31, 2019
22.	Surat Municipal Corporation	Shop No.242 To 243, Ground Floor, Poddar Arcade, Varachha Road, Surat-395006	EZ/S/Navagam/415276	Valid up to December 31, 2018
23.	Surat Municipal Corporation	Shop No.322 To 325, Ground Floor, Poddar Arcade, Varachha, Surat- 395006	EZ/S/Navagam/421281	Valid up to December 31, 2019

24.	Surat Municipal Corporation	Shop No.6, Dr. Ambedkar Shopping Center, Ring Road, Surat- 395002	SZ/S/Umarwada/13211	Valid up to December 31, 2018
25.	Surat Municipal Corporation	Front Shop No.6, Dr. Ambedkar Shopping Center, Ring Road, Surat- 395002	SZ/S/Umarwada/503337	Valid up to December 31, 2018
26.	Surat Municipal Corporation	Shop No.5, Gokulam Arcade, Sarthana Jakat Naka, Surat- 395006	EZ/S/Sarthana/431846	Valid up to December 31, 2019
27.	Surat Municipal Corporation	Shop No.1, Vihar Society, Singanpor Char Rasta Vedroad, Surat-395004	NZ/S/Singanpor/318948	Valid up to December 31, 2020
28.	Surat Municipal Corporation	Ploot No. A/25/2/3, Udhna Main Road, Near Petrol Pump, Udhna Teen Rasta, Udhna, Surat- 394210	SZ/S/Udhana/537963	Valid up to December 31, 2020
29.	Surat Municipal Corporation	Shop No.6, Ground Floor, Aditya Complex-B, Utran Kapodra, New Pool, Utran, Surat - 394105	NZ/S/Utran/319647	Valid up to December 31, 2020
30.	Surat Municipal Corporation	Shop No.38, Pandol Shopping Center, Near Gokul Rus, Ved Road, Surat- 395004	NZ/S/Tunki/310944	Valid up to December 31, 2019
31.	Surat Municipal Corporation	Shop No.2, Mani Arcade, Near J.D.Goienska School, Vesu, Surat. 395007	SWZ/S/VESU/611080	Valid up to December 31, 2018
32.	Surat Municipal Corporation	Shop No. G-14, City Center, Near Swastik Plaza, Yogi Chowk, Varachha, Surat- 395006	EEZ/S/PUNA/436234	Valid up to December 31, 2020
33.	Surat Municipal Corporation	Shop No. G-24,25,26, City Center, Yogi Chowk, Varachha, Surat- 395006	EZ/S/PUNA/435899	Valid up to December 31, 2020
34.	Surat Municipal Corporation	Shop No. 5, Vallabh Apartment, Zunda Street, Sangrampura, Surat - 395002	CZ/S/2/295403	Valid up to December 31, 2020
35.	Surat Municipal Corporation	House.No.12B/3156/A, Bhajiwala Pole, Bhagal, Surat-395003	CZ/S/12/243847	Valid up to December 31, 2020
36.	Surat Municipal Corporation	Shop No.11, Santkrupa Society, Chhapra Bhatta Road, Surat. 394107	NZ/S/Chhaprabhatha/320859	Valid up to December 31, 2020



37.	Surat Municipal Corporation	Shop No. 3 Round Floor, Shyam Complex, Singanpur, Char Rasta, Surat.	NZ/S/Singfanpore/321032	Valid up to December 31, 2020
38.	Surat Municipal Corporation	Ploat No.16-A, Shop o. 3,Ganganagar Society, , Punagam, Surat-395006	EZ/S/PUNA/438154	Valid up to December 31, 2020
39.	Surat Municipal Corporation	Shop No. 13, Shreenathji Nagar-3, Nilgiri Udhana Yard Road, Dindoli, Surat	SEZ/S/Dindoli/1008937	Valid up to December 31, 2019

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The present Public Issue of 16,50,000 Equity Shares includes a Fresh Issue of 14,00,000 Equity shares and an offer for sale by the Selling Shareholder of 2,50,000 equity shares. Fresh Issue of 14,00,000 Equity Shares have been approved by board of Directors of the Company (the "Board") pursuant to Board resolution dated January 05, 2018 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on January 05, 2018 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013. Consequently, Offer for sale of 2,50,000 equity shares have been approved by board of directors of the Company (the "Board") pursuant to a Board resolution dated January 05, 2018 in accordance with the provisions of Section 28 of the Companies Act, 2013, and for which the Selling Shareholder has agreed to participate in the Public Issue pursuant to their Authority/Consent Letters dated January 01, 2018.

Mr. Sanjeev Bhatia, Promoter and Managing Director of the Company, selling shareholder has approved the transfer of his respective portion i.e 2,50,000 Equity Shares of the Offered Shares pursuant to the Offer for Sale as authority letter dated January 01, 2018.

Mr. Sanjeev Bhatia has confirmed that he has not been prohibited from dealings in securities market and the Equity Shares offered and to be sold are free from any lien, encumbrance or third party rights.

We have received In- Principle Approval from BSE vide their letter dated **February 2, 2018** to use the name of BSE in the Prospectus for listing of our Equity Shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

### **PROHIBITION BY SEBI**

Our Company, Selling Shareholder, Promoters, Promoter Group, Directors and 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, Directors 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.

Our Directors are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our Directors are associated as promoters or directors.

### **PROHIBITION BY RBI OR GOVERNMENT AUTHORITY**

Our Company, our Directors, our Promoters, the relatives of the Promoters (as defined under the Companies Act, 2013) and our Group Entity have not been identified as willful defaulters by RBI or any other government authorities.

### **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 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post-issue face value capital does not exceed ten crore rupees, shall issue 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). Our Company also complies with eligibility conditions laid by SME Platform of BSE for listing of Equity Shares.

### **We confirm that:**

- a. 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 Prospectus along with a Due Diligence Certificate including additional confirmations as required by SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

- b. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details pertaining to said underwriting please see “General Information – Underwriting” on page 31 of this Prospectus.
- c. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within eight days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to unblock such application money with interest as prescribed under the SEBI Regulations, the Companies Act, 2013 and applicable laws.
- d. In accordance with Regulation 106(V) 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 this issue. For further details of the arrangement of market making please see “General Information – Details of the Market Making Arrangements for this Issue” on page 31 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of Chapter XB of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Exchange / Platform BSE circular dated April 19, 2012 and notice dated February 5, 2015, which states as follows:

#### 1. Net Tangible assets of at least ₹3 crore as per the latest audited financial results :

Our Company has Net Tangible Assets of more than ₹ 3 crore as per the latest financial results. Our Net Tangible Assets for the period ended September 30, 2017 is disclosed as under:

(In Rs.)	
Particulars	September 30, 2017
Fixed Assets (Net)	5,59,74,579
Less: Intangible Assets	29,00,000
Add: Current Assets, Loans & Advances and Non- Current Investments	23,69,69,572
Add : Long Term Loans and Advances	-
Less: Current Liabilities & provisions	23,36,98,476
Less: Long Term Borrowings	1,00,67,627
<b>Net Tangible Assets</b>	<b>4,62,78,048</b>

#### 2. Net worth (excluding revaluation reserves) of at least ₹ 3 crore as per the latest audited financial results

Our Company satisfies the above criteria. Our Net Worth as per the latest audited financial statements is as under:

(In Rs.)	
Particulars	September 30, 2017
<b>Net Worth</b>	<b>4,85,95,653</b>

3. Track record of distributable profits in terms of sec. 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the net worth shall be at least ₹ 5 crores.

Our Company satisfies the above criteria of distributable profits in terms of section 123 of Companies Act, 2013.

(In Rs.)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Net Profit as per P&L Account	47,76,549	30,93,022	34,20,953

4. The post-issue paid up capital of the company shall be at least ₹ 3 crore

The post paid up capital of the Company will be ₹6.25 crores.

5. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

The Company's shares bear an ISIN No: INE341Z01017

6. Companies shall mandatorily have a website.

Our Company has a live and operational website: [www.bhatiamobile.com](http://www.bhatiamobile.com)

7. Certificate from the applicant company stating the following:

- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against the company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.
- There has been no change in the promoter/s of the Company in preceding one year from the date of filing application to BSE for listing on SME segment.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE.

#### DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, GUINNESS CORPORATE ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER GUINNESS CORPORATE ADVISORS PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 25, 2018 WHICH READS AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENTS DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
  - (A) THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
  - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND VIS-À-VIS**
  - (C) THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956 AND APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. NOTED FOR COMPLIANCE.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE VIS-À-VIS 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 OFFER DOCUMENT. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE- *NOT APPLICABLE. THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.*
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
- (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
- (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. - NOTED FOR COMPLIANCE
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE ,ETC.

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY”
16. WE ENCLOSE STATEMENT ON ‘PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)’, AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR. As per Annexure "A"
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER 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 OFFER DOCUMENT 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 OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.- NOTED FOR COMPLIANCE
4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISOR TO SUB REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. – NOT APPLICABLE
6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, HAVE BEEN MADE.

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, 35 36 AND 38 (1) OF THE COMPANIES ACT 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 THE OFFER DOCUMENT.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30, 32 AND SECTION 33 OF THE COMPANIES ACT.**

**CAUTION- DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER**

The Company, the Directors, and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of the above mentioned entities and anyone depending on any other source of information, including our website: [www.bhatiamobile.com](http://www.bhatiamobile.com) would be doing so at his or her own risk.

**Caution**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU entered into between the Lead Manager Guinness Corporate Advisors Private Limited, Selling Shareholder and our Company dated January 19, 2018 the Underwriting Agreement dated January 19, 2018 entered among the Underwriters, Lead Manager, Selling Shareholder and Our Company and Market Making Agreement dated January 19, 2018 entered among the Market Maker, Lead Manager, Selling Shareholder and our Company.

All information shall be made available by us and LM 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 and our Promoter Group, 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 and our Promoter Group, affiliates or associates for which they have received, and may in future receive, compensation.

**Note:**

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not offer, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriters and 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 of our company.

**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by Guinness Corporate Advisors Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, please refer Annexure "A" and the website of Lead Manager at [www.guinnessonline.net](http://www.guinnessonline.net).

**Annexure A**

**FORMAT FOR DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GUINNESS CORPORATE ADVISORS PRIVATE LIMITED:**



Sr. No.	Issuer Name	Issue Size(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] 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] 180th calendar days from listing
1.	Super Fine Knitters Limited	4.08	12	02.02.2017	12.60	26.00%	0.08%	32.08%
						(+2.15%)	(+6.00%)	(15.19%)
2.	Sarthak Metals Limited	10.91	30	27.03.2017	29.45	15.00%	5.00%	110.33%
						(+2.42%)	(+5.89%)	(+9.18%)
3.	ASL Industries Limited	9.80	35	18.04.2017	33.1	0.14%	-9.71%	-21.86%
						(+4.62%)	(+8.90%)	(+12.36%)
4.	Meera Industries Ltd	3.89	36	15.05.2017	36	0.00%	94.44%	533.3%
						(+2.58%)	(+3.72%)	(+9.87%)
5.	Bhakti Gems and Jewellery Ltd	3.92	20	30.05.2017	18.7	0.50%	2.00%	-10.5%
						(-0.97%)	(+1.90%)	(8.23%)
6.	7NR Retail Ltd	5.12	27	18.07.2017	27	0.37%	-1.85%	NA
						(+0.19%)	(+2.91%)	NA
7.	ANG Lifescience India Ltd	12.01	80	08.09.2017	96	11.88%	1.25%	NA
						(+0.50%)	(+2.87%)	NA
8.	Trident Texofab Ltd	3.53	30	05.10.2017	32	87.83%	NA	NA
						(+6.63%)	NA	NA
9.	Sheetal Cool Product Ltd	24	80	30.10.2017	96	7.56%	64.75%	NA
						(+1.06%)	(+9.07)	NA
10.	Vertoz Advertising Limited	17.10	108	24.11.2017	113	134.26%	NA	NA
						(+1.36%)	NA	NA
11.	Moksh Ornaments Ltd	11.03	37	03.01.2018	44.4	27.16%	NA	NA
						(+5.49%)	NA	NA
12.	Jhandewalas Foods Ltd	16.01	55	12.01.2018	66	NA	NA	NA
						NA	NA	NA

Note: The 30th , 90th, and 180th calendar days has been taken as listing date plus 29, 89, 179 calendar days respectively. Where the 30th day/90th day/180th day of a particular year falls on a stock exchange trading holiday, the immediately following trading day has been considered. Where the 30th day / 90th day / 180th of a particular year falls on the day when there is no trade in equity share of the Company , preceding trading day has been considered. The Designated Exchange for the Issue has been considered for the closing price, Benchmark index and other details. We have taken the Issue price to calculate the % change in closing price as on 30th, 90th and 180th day.

#### Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total Funds Raised (₹in Cr.)	Nos. of IPOs trading at discount - 30th calendar day from listing day			Nos. of IPOs trading at premium - 30th calendar day from listing day			Nos. of IPOs trading at discount - 180th calendar day from listing day			Nos. of IPOs trading at premium - 180th calendar day from listing day		
			Over 50%	Betw en 25-50 %	Less than 25%	Over 50 %	Betw en 25-50 %	Less than 25%	Over 50 %	Betw en 25-50 %	Less than 25%	Over 50%	Betw en 25-50 %	Less than 25%
2017-18	10	106.41	NA	NA	NA	1	NA	5	NA	NA	1	1	NA	NA
2016-17	9	93.71	NA	NA	1	NA	2	6	NA	NA	1	4	3	1
2015-16	3	9.60	NA	NA	1	NA	NA	2	NA	1	2	NA	NA	NA

**Note:**

Based on date of listing.

BSE SENSEX and 50 NIFTY has been considered as the benchmark index.

Prices on BSE/NSE are considered for all of the above calculations.

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 30th /90th /180th day, scripts are not traded then last trading price has been considered.

N.A. – Period not completed.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Lead Manager are provided.

**Track Record of past issues handled by Guinness Corporate Advisors Private Limited**

For details regarding track record of the Lead Manager to the Offer 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.guinnessonline.net](http://www.guinnessonline.net)

**DISCLAIMER IN RESPECT OF JURISDICTION**

This issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872), HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised 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 the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub –account registered with SEBI which is a foreign corporate or foreign individual, permitted insurance companies and pension funds) and to FIIs and Eligible NRIs. This Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements

applicable in such jurisdiction. Neither the delivery of 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 OF THE SME PLATFORM OF BSE**

BSE Limited ("BSE") has given vide its letter dated February 2, 2018 permission to this Company to use its name in this offer document as one of the stock exchanges on which this Company's securities are proposed to be listed on SME platform. BSE has scrutinized this offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this company's securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities in this Company may do so pursuant to independent inquiry, investigations and analysis and shall not have any claim against BSE whatsoever by reason of 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 for any other reason whatsoever.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT.**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions 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. Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING OF OFFER DOCUMENT**

A copy of Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Regulation 106(O)(1). However, a copy of the Prospectus shall be filed with SEBI at Western Regional Office, Unit No. 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad-380009, Gujarat, India.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the companies Act, 2013, will be delivered to the RoC situated at at RoC Bhavan, Opp Rupal Park Society, Behind Ankur Bus- Stop, Naranpura,Ahmedabad-380013, Gujarat, India.

## LISTING

Our company has obtained In-Principle approval from BSE vide letter dated February 2, 2018 to use name of BSE in this offer document for listing of equity shares on SME Platform of BSE.

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is requirement of obtaining In-principle approval from SME Platform of BSE. Application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE 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 SME Platform of BSE, the Company shall forthwith unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not unblocked within Eight days after our Company becomes liable to unblock it then our Company and every officer in default shall, on and from such expiry of Eight days, be liable to unblock such application money, with interest at the rate of 15% per annum on application money, as prescribed under as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE mentioned above are taken within Six Working Days from the 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 vis-à-vis otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”**

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## CONSENTS

The written consents of Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Peer Review Auditors, Legal Advisor to the Issue, Lead Manager, Registrar to the Issue, Underwriters, Market Makers, Bankers to the Company and Selling shareholder, to act in their respective capacities have been obtained and will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. R. Kejriwal & Co., Chartered Accountants of the Company have provided their written consent to the inclusion of their report dated January 19, 2018, regarding Restated Standalone Financial Statements & Restated Consolidate Financial Statements and have

also provided their written consent for the inclusion of Statement of Tax Benefits dated January 19, 2018 as applicable, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of this Prospectus.

## **EXPERT OPINION**

Except for (a) Peer Review Auditors' reports dated January 18, 2018 on the restated financial statements by M/s. R. Kejriwal & Co., Chartered Accountants (b) Statement of Tax Benefits dated January 18, 2018 by M/s. R. Kejriwal & Co., Chartered Accountants; we have not obtained any other expert opinions.

## **PUBLIC ISSUE EXPENSES**

The Management estimates an expense of Rs. 50.00 lacs towards issue expense. The Issue related expenses include, among others, lead management, market making, underwriting, SCSB's commission/fees, selling commissions, printing, distribution and stationery expenses, advertising and marketing expenses, and other expenses including registrar, depository, listing and legal fees. All expenses with respect to the Issue will be borne by the Company. The estimated Issue expenses are as follows:

(₹ in lacs)		
<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount</b>
1.	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket expenses.	20.00
2.	Printing & Stationery and Postage Expenses	5.00
3.	Marketing and Advertisement Expenses	15.00
4.	Regulatory fees and other expenses	4.00
5.	Other Miscellaneous expenses	6.00
	<b>Total</b>	<b>50.00</b>

## **DETAIL OF FEES PAYABLE**

### **Fees Payable To Lead Manager To The Issue**

The total fees payable to the Lead Manager (underwriting Commission and Selling Commission and reimbursement of their out-of pocket expenses) will be as per the Engagement Letter, a copy of which is available for inspection at the Registered Office of our Company.

### **Fees Payable to The Registrar To The Issue**

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the MOU between the Company and the Registrar to the Issue dated January 24, 2018.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

### **Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor, Market Maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

## **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

We have not made any previous public issues. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

#### **COMMISSION PAYABLE TO SCSBS**

The brokerage and selling commission payable to SCSBs for the ASBA Application Forms procured by them would be at par as payable to brokers for the Application forms procured by them. However in case, where ASBA Application Form are being procured by Syndicate Members / sub syndicate, then selling commission would be payable to Syndicate Members / sub syndicate and for processing of such ASBA Application Form, SCSBs would be given a prescribe fee of ₹10 per ASBA Application Form processed by them.

#### **PREVIOUS PUBLIC OR RIGHTS ISSUE**

Company has not made any Public or Right issue since its incorporation.

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

We have issued shares otherwise than cash as per the details given below:

<b>Sr. No.</b>	<b>Date of Allotment/ Date of fully paid up</b>	<b>No. of Equity Shares allotted</b>	<b>Face Value (Rs.)</b>	<b>Issue Price (Rs.)</b>	<b>Consideration</b>	<b>Nature of Issue</b>
1.	November 20, 2013	5,05,000	10	N.A.	Other than Cash	Bonus Issue in the ratio of 50:1
2.	September 30, 2017	30,90,600	10	N.A.	Other than Cash	Bonus Issue in the ratio of 6:1
3.	January 5, 2018	12,14,400	10	N.A.	Other than Cash	Bonus Issue in the ratio of 1:3

#### **CAPITAL ISSUE DURING THE LAST THREE YEARS**

Bhatia Communications & Retail (India) Limited and its Group Companies have not made any capital issue during the last three years.

#### **LISTED VENTURES OF PROMOTERS**

There are no listed ventures of our Company as on date of filing of this Prospectus.

#### **PROMISE VIS-À-VIS PERFORMANCE**

Since neither our Company nor our Promoter Group Companies have made any previous rights or public issues during last 10 years, Promise vis-à-vis Performance is not applicable.

#### **OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Prospectus.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The agreement between the Registrar to the Issue and our Company provides for the retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Applicants, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Applicants.

### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (for redressal of routine investor grievances shall be 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted an Stakeholders Relationship Committee of the Board vide resolution passed on January 05, 2018 comprising of Ms. Rashmi Arora, Chairperson, Mr. Arpit Jain and Mr. Sanjeev Bhatia as members. For further details, please refer the chapter titled "Our Management" on page no. 101 of Prospectus.

Our Company has also appointed Ms. Avani Chaudhari as the Company Secretary and Compliance Officer of our company, for this Issue and she may be contacted in case of any pre-issue or post-issue related problems at the following address:

#### **Bhatia Communications & Retail (India) Limited**

**Address:** 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat, Gujarat -395 002.

**Tel:** 0261-2349892

**Email:** info@bhatiamobile.com

**Website:** www.bhatiamobile.com

**Contact Person:** Ms. Avani Chaudhari

### **CHANGES IN AUDITORS DURING THE LAST THREE YEARS**

There is no change in our Statutory Auditors of our Company during last three (3) years.

### **CAPITALIZATION OF RESERVES OR PROFITS DURING LAST FIVE (5) YEARS:**

Our Company has not capitalized its reserves or profits during last five (5) years except the following:

<b>Sr. No.</b>	<b>Date of Allotment/ Date of fully paid up</b>	<b>No. of Equity Shares allotted</b>	<b>Face Value (Rs.)</b>	<b>Issue Price (Rs.)</b>	<b>Consideration</b>	<b>Nature of Issue</b>
1.	November 20, 2013	5,05,000	10	N.A.	Other than Cash	Bonus Issue in the ratio of 50:1
2.	September 30, 2017	30,90,600	10	N.A.	Other than Cash	Bonus Issue in the ratio of 6:1
3.	January 5, 2018	12,14,400	10	N.A.	Other than Cash	Bonus Issue in the ratio of 1:3

### **REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS**

Our Company has not revalued its assets during the last five (5) years.

## **SECTION VIII - ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

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

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November, 10th 2015, all the applicants have to compulsorily apply through the ASBA Process.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

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

The present Public Issue of 16,50,000 Equity Shares includes a Fresh Issue of 14,00,000 Equity shares and an offer for sale by the Selling Shareholder of 2,50,000 equity shares. Fresh Issue of 14,00,000 Equity Shares have been approved by board of Directors of the Company (the "Board") pursuant to Board resolution dated January 5, 2018 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on January 5, 2018 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013. Consequently, Offer for sale of 2,50,000 equity shares have been approved by board of directors of the Company (the "Board") pursuant to a Board resolution dated January 5, 2018 in accordance with the provisions of Section 28 of the Companies Act, 2013, and for which the Selling Shareholders have agreed to participate in the Public Issue pursuant to their Authority/Consent Letters dated January 1, 2018.

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

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled "Main Provisions of the Articles of Association of our Company" beginning on page no. 227 of this Prospectus.

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

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors and approved by 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 dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. For further details, please refer to "Dividend Policy "on page 123 of the Prospectus.

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

The face value of the Equity Shares is ₹ 10 each and the Issue Price is ₹ 150 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "Basis for Issue Price" beginning on page no. 54 of the Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.



## **Compliance with SEBI ICDR Regulations**

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

## **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

Right to receive dividend, if declared;  
Right to receive Annual Reports and notices to members;  
Right to attend general meetings and exercise voting rights, unless prohibited by law;  
Right to vote on a poll either in person or by proxy;  
Right to receive offer for rights shares and be allotted bonus shares, if announced;  
Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;  
Right of free transferability subject to applicable law, including any RBI rules and regulations; and such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “Main Provisions of Articles of Association” beginning on page 227 number of the Prospectus.

## **Minimum Application Value; Market Lot and Trading Lot**

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 1,000 Equity Shares and the same may be modified by BSE SME Exchange 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 1,000 Equity Share subject to a minimum allotment of 1,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 1,000 Equity Share subject to a minimum allotment of 1,000 Equity Shares to the successful applicants.

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 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 all the monies blocked by the SCSBs shall be unblocked within 6 Working days of closure of issue.

## **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Surat, 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.

### **Joint Holders**

Where 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 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, 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:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares 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**

ISSUE OPENS ON	<b>February 8, 2018 (Thursday)</b>
ISSUE CLOSES ON	<b>February 12, 2018 (Monday)</b>

### **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 issue through the 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 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 refund the entire subscription amount received. If there is a delay beyond eight (8) days, after our Company 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.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

Further, 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.

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

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

#### **Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of 1,000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME Platform.

#### **Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **As per the extant policy of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page no 34 of the Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "Main Provisions of the Articles of Association" beginning on page no. 227 of the Prospectus.

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

As per section 29(1) of the new Companies Act 2013, and in accordance with SEBI (ICDR) Regulations, every company making public offer shall issue securities only in dematerialized form only. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange. Applicants will not have an option of Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act.

### **Migration to Main Board**

Our Company may migrate to the main board of BSE Main Board from the BSE SME Platform on a later date subject to the following:

If the Paid up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further 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 the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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 BSE SME Platform, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the BSE SME Platform for a minimum period of three years from the date of listing of shares offered through this Prospectus. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please see "General Information – Details of the Market Making Arrangements for this Issue" beginning on page no. 31 of the Prospectus.

### **New Financial Instruments**

The Issuer Company is not issuing any new financial instruments through this Issue.

### **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.

## 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 capital does not exceed ₹ 10 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 198 and 206 respectively of this Prospectus.

The Issue comprise of a Public Issue of 16,50,000 Equity Shares of Face Value of ₹ 10/- each fully paid (The "Equity Shares") for cash at a price of ₹ 150/- per Equity Shares (including a premium of ₹ 140/- per equity share) aggregating to ₹ 2475 lacs ("the issue") by our Company of which 84,000 Equity Shares of ₹ 10/- each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 15,66,000 Equity Shares of ₹ 10/- each is hereinafter referred to as the net issue, comprising the Fresh Issue of 14,00,000 Equity Shares and the Offer for Sale of 2,50,000 Equity Shares by Selling Shareholders. The Issue and the Net Issue will constitute 26.37% and 25.03% respectively of the post issue paid up Equity Share Capital of the Company.

Particulars	Net Issue to Public	Market Maker reservation portion
Number of Equity Shares*	15,66,000 Equity Shares	84,000 Equity Shares
Percentage of Issue Size available for allocation	94.91 % of the Issue Size 25.03 % of the Post Issue Paid up Capital	5.09 % of the Issue Size 1.34 % of the Post Issue Paid up Capital
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 1,000 Equity Shares and Further allotment in multiples of 1,000 Equity Shares each.  For further details please refer to the section titled "Issue Procedure–Basis of Allotment" on page 223 of this Prospectus.	Firm Allotment
Mode of Application	All the Applicants shall make the Application (Online or Physical) through ASBA Process Only.	Through ASBA mode Only.
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 1,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000  For Retail Individuals: 1,000 Equity Shares	84,000 Equity Shares
Maximum Bid	For QIB and NII: Such number of Equity Shares in multiples of 1,000 Equity Shares such that the Application Size does not exceed 15,66,000 Equity Shares subject to adhere under the relevant laws and regulations as applicable.  For Retail Individuals: 1,000 Equity Shares so that the Application Value does not exceed ₹ 2,00,000	84,000 Equity Shares
Mode of Allotment	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode
Trading Lot	1,000 Equity Shares	1,000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.

Particulars	Net Issue to Public	Market Maker reservation portion
Terms of payment	Entire Application Amount shall be payable at the time of submission of Application Form.	

\* 50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below ₹ 2,00,000 and the balance 50 % of the shares are available for applications whose value is above ₹ 2,00,000.

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) Investors 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.

### Withdrawal of the Issue

The Company and Selling Shareholders, 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 and Selling Shareholders 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 the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification

If the Company and the Selling Shareholders 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 Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

### Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Surat.

### Issue Programme

<b>ISSUE OPENS ON</b>	<b>February 8, 2018 (Thursday)</b>
<b>ISSUE CLOSES ON</b>	<b>February 12, 2018 (Monday)</b>

Applications and any revisions to the same (except that on the Issue closing date) will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form.

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 LM 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 Issue prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2003) dated October 23, 2013 notified by SEBI ( the "General Information Documents" ) included below under section "- Part B - General Information Document", which highlights the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations. The General Information Documents has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Application 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 the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

### **Fixed Price Issue Procedure**

The Issue is being made under Regulation 106 (M) (1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 through a Fixed Price Process.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the 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, the Company would have a right to reject the Applications only on technical grounds.

**Investors should note that Equity Shares will be allotted to successful Applicants in dematerialize form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI.**

### **Availability of Prospectus and Application Forms**

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE limited i.e. [www.bseindia.com](http://www.bseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Application Form used by ASBA applicants. Upon completing and submitting the Application Form for Applicants to the SCSB, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted.



Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.**

### **Submission and Acceptance of Application Forms**

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

- I. An SCSB, with whom the bank account to be blocked, is maintained
- II. A syndicate member (or sub-syndicate member)
- III. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- IV. A depository participant ('DP') (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
- V. A registrar to an issuer and share transfer agent ('RTA') (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For Applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Application are deemed to have authorised our Company to make the necessary changes in the prospectus, without prior or subsequent notice of such changes to the Applicants.

### **Who can apply?**

- a.) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our

Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

- b.) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: “Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs would be considered at par with those from individuals;
- c.) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d.) Mutual Funds registered with SEBI;
- e.) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f.) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g.) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- h.) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i.) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant’s category;
- j.) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k.) Foreign Venture Capital Investors registered with the SEBI;
- l.) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m.) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n.) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o.) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p.) Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q.) 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;
- r.) Insurance funds set up and managed by army, navy or air force of the Union of India;
- s.) Multilateral and bilateral development financial institution;
- t.) Eligible QFIs;
- u.) Insurance funds set up and managed by army, navy or air force of the Union of India;

- v.) Insurance funds set up and managed by the Department of Posts, India;
- w.) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

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.

**Participation by associates/affiliates of Lead Manager**

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis.

**Option to Subscribe to the Issue**

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. 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.

**Application by Indian Public including eligible NRIs applying on Non-Repatriation**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families. In case of HUF's 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.

**Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any 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.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

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.

### **Applications by Eligible NRIs/FII's on Repatriation Basis**

Application Forms have been made available for Eligible NRIs at the Company's Registered Office and at the office of Lead Manager to the Issue.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and should not use the form meant for the reserved category.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

### **As per the current regulations, the following restrictions are applicable for investments by FIIs:**

The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.

In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as

amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

#### **Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

#### **Applications by Limited Liability Partnerships**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the 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, the Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The "IRDA Investment Regulations"), are broadly set forth below:

- a) equity shares of a Company: the least of 10% of the investee Company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee Company: the least of 10% of the respective fund in case of a life insurer or general insurer or reinsurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and

- c) The industry sector in which the investee Company operates: the least of 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in infrastructure and housing sectors i.e. 26th December, 2008, providing, among other things, that the exposure of an insurer to an infrastructure Company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

#### **Application by Provident Funds / Pension Funds**

In case of applications made by provident funds/pension funds, subject to applicable laws, 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 attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **Application under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, 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 addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c) With respect to applications made by provident funds with minimum corpus of Rs. 25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores, 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 such application, in whole or in part, in either case without assigning any reasons thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form , subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In

such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

**The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

#### **ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS**

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

#### **ASBA Process**

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. 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 bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

#### **Who can apply?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

#### **Mode of Payment**

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, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, 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 ASBA 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 ASBA 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 ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

#### **Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

#### **Electronic Registration of Applications**

1. The Designated Intermediary will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
3. In case of apparent data entry error either by the Designated Intermediary in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s).
4. The Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary 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 on-line facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.

6. At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:

- Name of the Applicant;
- IPO Name;
- Application Form number;
- Investor Category;
- PAN (of First Applicant, if more than one Applicant);
- DP ID of the demat account of the Applicant;
- Client Identification Number of the demat account of the Applicant;
- Numbers of Equity Shares Applied for;
- Location 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

In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.

7. The Designated intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

8. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.

9. In case of QIB Applicants, the Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.

10. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

11. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges 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.

#### **Maximum and Minimum Application Size**

The applications in this Issue, being a fixed price issue, will be categorized into two;

**(a) For Retail Individual Applicants**

The Application must be for a minimum of 1,000 Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed Rs. 2,00,000.

**(b) For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 1,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion.

**Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.**

**Information for the Applicants:**

- a.) The Company will file the Prospectus with the ROC at least 3 (three) days before the Issue Opening Date.
- b.) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- c.) Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.
- d.) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- e.) Applications made in the name of Minors and/or their nominees shall not be accepted.

**Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one Gujarati newspaper with wide circulation.

**Signing of Underwriting Agreement**

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager and NNM Securities Pvt. Ltd. on January 19, 2018.

**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 Companies Act, 2013.

**Designated Date and Allotment of Equity Shares**

- a) **Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into 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 on its website. On the basis of 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 Participants 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 that:** (i) the allotment of the equity shares; and (ii) initiate corporate action for credit of shares to the successful applicant's Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

## **Interest and Refunds**

### **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 instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

### **Grounds for Refund**

#### **Non Receipt of Listing Permission**

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Prospectus, the Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary bidders.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the "Stated Minimum Amount" has not been subscribed and the sum payable on application money has to be returned within such period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not received the subscription of 100% of the Issue through this offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013)

### **Minimum Number of Allottees**

The Issuer may ensure that the number of Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

### **Mode of Refund**

In case of ASBA Application: Within 6 working days of the Issue Closing Date, the Registrar to the Issue may give instruction to SCSBs for unblocking the amount in ASBA Account of unsuccessful Application and also for any excess amount blocked on Application.

Mode of making refund for ASBA applicants: In case of ASBA Application, the registrar of 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.

### **Interest in case of Delay in Allotment or Refund:**

The Issuer may pay interest at the Rate of 15% per annum to Applicants if the funds are not unblocked within the 6 Working days of the Issue Closing Date.

### **Issuance of Allotment Advice**

1. 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.
2. 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.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above 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 Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) 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 Applications submitted by any person resident outside India is in compliance with applicable foreign and Indian laws
- All Applicants should submit their application through ASBA process only.

#### **Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
- 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.

#### **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 submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

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 India Limited i.e. [www.bseindia.com](http://www.bseindia.com).

#### **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 giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks 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.

#### **Payment by Stock Invest**

In terms of the Reserve Bank of India Circular No.DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

## **OTHER INSTRUCTIONS**

### **Joint Applications in the case of Individuals**

Applications may be made in single or joint names (not more than three). 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). 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:

- i. All applications are electronically strung on first name, address (1st 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
- ii. 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.
- iii. 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.

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 its absolute discretion, all or any multiple Applications in any or all categories.

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 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 this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. 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.

### **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 the PAN 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.

**Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.**

### **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.

### **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 1000;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;

- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.

### **Equity Shares In Dematerialized Form with NSDL or CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) a tripartite agreement dated **January 31, 2018** with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated **January 31, 2018** with CDSL, our Company and Registrar to the Issue;

The Company’s shares bear an ISIN No: INE341Z01017

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant’s Identification number) appearing in the Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant’s beneficiary account (with the Depository Participant).
- d) 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.
- e) 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.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

### **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 Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.**



### **Disposal of applications and application moneys and interest in case of delay**

The Company shall ensure the dispatch of Allotment advise, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts 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 of closure of the issue.

### **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

**‘Any person who:**

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,**

**shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.**

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.”

### **BASIS OF ALLOTMENT**

Allotment will be made in consultation with BSE SME Platform (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

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. For applications where the proportionate allotment works out to less than 1000 equity shares the allotment will be made as follows:
  - a. Each successful applicant shall be allotted 1000 equity shares; and
  - b. 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.

4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 1000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1000 equity shares subject to a minimum allotment of 1000 equity shares.
5. If the Shares allocated 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 1000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in the Prospectus.
6. 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:
  - a. A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
  - b. The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
  - c. The unsubscribed portion of the net to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

If the retail individual investor is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled 'Basis of Allotment' beginning on page 223 of Prospectus.

'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 the SME Platform of BSE.

#### **Basis of Allotment in the event of Under subscription**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified in page 200 shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue.**

**There is no reservation for Non Residents, NRIs, FPIs and foreign venture capital funds and all Non Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Undertaking by our Company**

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company 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 closure of the Issue;
3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

#### **Utilization of Issue Proceeds**

Our Board 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 shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively.
- 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.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI ("DIPP") by circular of 2015, with effect from May 12, 2015 ("Circular of 2015"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, Circular of 2015 will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI. Further, in terms of the Consolidated FDI Policy, prior approval of the RBI shall not be required for transfer of shares between an Indian resident and person not resident in India if conditions specified in the Consolidated FDI Policy have been met. The transfer of shares of an Indian company by a person resident outside India to an Indian resident, where pricing guidelines specified by RBI under the foreign exchange regulations in India are not met, will not require approval of the RBI, provided that (i) the original and resultant investment is in line with Consolidated FDI policy and applicable foreign exchange regulations pertaining to inter alia sectoral caps and reporting requirements; (ii) the pricing is in compliance with applicable regulations or guidelines issued by SEBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares have not been and will not be registered, 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, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**

## SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

### MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Title of Article	Article Number	Content
<b>CONSTITUTION OF THE COMPANY</b>	<b>1.</b>	The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.
<b>INTERPRETATION CLAUSE</b>	<b>2.</b>	<p>The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:</p> <p>a. 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.'</p> <p>b. 'The Board' or 'The Board of Directors' means a meeting of the Directors 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.</p> <p>c. 'The Company' or 'This Company' means <b>"BHATIA COMMUNICATION &amp; RETAIL (INDIA) LIMITED"</b>.</p> <p>d. 'Directors' means the Directors for the time being of the Company.</p> <p>e. 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing.</p> <p>f. 'Members' means members of the Company holding a share or shares of any class.</p> <p>g. 'Month' shall mean a calendar month.</p> <p>h. 'Paid-up' shall include 'credited as fully paid-up'.</p> <p>i. 'Person' shall include any corporation as well as individual.</p> <p>j. 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.</p> <p>k. 'Section' or 'Sec.' means Section of the Act.</p> <p>l. Words importing the masculine gender shall include the feminine gender.</p> <p>m. Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.</p> <p>n. 'Special Resolution' means special resolution as defined by Section 114 in the Act.</p> <p>o. 'The Office' means the Registered Office for the time being of the Company.</p> <p>p. 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.</p> <p>q. 'Proxy' includes Attorney duly constituted under a Power of Attorney.</p>
	<b>3.</b>	Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, 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 shares in the Company.
	<b>4.</b>	The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company.
	<b>5.</b>	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot 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 at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a

		<p>premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.</p> <p>Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.</p>
	6.	<p>The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call 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 Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.</p>
	7.	<p>The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:</p> <p>I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder 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.</p> <p>(b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.</p> <p>(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 clause (b) shall contain a statement of this right.</p> <p>(d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.</p> <p>II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.</p> <p>III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:</p> <p>(a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and</p> <p>(b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.</p>
	8.	<p>(1) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class.</p> <p>(2) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.</p>
<b>Issue of further</b>	<b>9.</b>	<p>Subject to the provisions of the Act, the rights conferred upon the holders of the shares of</p>

<b>shares with disproportionate rights</b>		any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.
<b>Not to issue shares with disproportionate rights</b>	<b>10.</b>	The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.
<b>Power to pay commission</b>	<b>11.</b>	The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.
<b>Liability of joint holders of shares</b>	<b>12.</b>	The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.
<b>Trust not recognised</b>	<b>13.</b>	Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.
<b>Issue other than for cash</b>	<b>14.</b>	a. The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.  b. As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.
<b>Acceptance of shares</b>	<b>15.</b>	An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.
<b>Member' right to share Certificates</b>	<b>16.</b>	1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment: a. One certificate for all his shares; or b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge. 2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide. 3. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon. 4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the seal of the Company and signed by two Directors and the Secretary or authorised official(s) of the Company.

<b>One Certificate for joint holders</b>	<b>17.</b>	In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.
<b>Renewal of Certificate</b>	<b>18.</b>	If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.
	<b>19.</b>	For every certificate issued under the last preceding Article, no fee shall be charged by the Company.
<b>Splitting and consolidation of Share Certificate</b>	<b>20.</b>	The shares of the Company will be split up/consolidated in the following circumstances: (i) At the request of the member/s for split up of shares in marketable lot. (ii) At the request of the member/s for consolidation of fraction shares into marketable lot.
<b>Directors may issue new Certificate(s)</b>	<b>21.</b>	Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.
<b>Person by whom installments are payable</b>	<b>22.</b>	If, by the conditions of allotment of any share, the whole or 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 share or his legal representative or representatives, if any.
<b>LIEN Company's lien on shares</b>	<b>23.</b>	The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.
<b>As to enforcing lien by sale</b>	<b>24.</b>	For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death or insolvency of the register holder.
<b>Authority to transfer</b>	<b>25.</b>	a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
<b>Application of proceeds of sale</b>	<b>26.</b>	The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.
<b>Calls On Shares Calls</b>	<b>27.</b>	Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof



		made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.
<b>When call deemed to have been made</b>	<b>28.</b>	A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.
<b>Length of Notice of call</b>	<b>29.</b>	Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.
<b>Sum payable in fixed instalments to be deemed calls</b>	<b>30.</b>	If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by instalments at fixed time, whether on account of the share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or instalment accordingly.
<b>When interest on call or instalment payable</b>	<b>31.</b>	If the sum payable in respect of any call or, instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the instalment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.
<b>Sums payable at fixed times to be treated as calls</b>	<b>32.</b>	The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.
<b>Payment of call in advance</b>	<b>33.</b>	The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.
<b>Partial payment not to preclude forfeiture</b>	<b>34.</b>	Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency 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 herein after provided.
<b>FORFEITURE OF SHARES</b> <b>If call or installment not paid, notice may be given</b>	<b>35.</b>	If a member fails to pay any call or instalment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.
<b>Evidence action by Company against shareholders</b>	<b>36.</b>	On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who

		made any 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; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
<b>Form of Notice</b>	<b>37.</b>	The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.
<b>If notice not complied with, shares may be forfeited</b>	<b>38.</b>	If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
<b>Notice after forfeiture</b>	<b>39.</b>	When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
<b>Boards' right to dispose of forfeited shares or cancellation of forfeiture</b>	<b>40.</b>	A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.
<b>Liability after forfeiture</b>	<b>41.</b>	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.
<b>Effect of forfeiture</b>	<b>42.</b>	The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
<b>Evidence of forfeiture</b>	<b>43.</b>	A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited 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, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and 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 or disposal of the share.
<b>Non-payment of sums payable at fixed times</b>	<b>44.</b>	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.
<b>Validity of such sales</b>	<b>45.</b>	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

<b>TRANSFER AND TRANSMISSION OF SHARES</b>  <b>Transfer</b>	<b>46.</b>	<p>a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.</p> <p>b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares. Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.</p> <p>c. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.</p> <p>d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.</p> <p>e. Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.</p>
<b>Form of transfer</b>	<b>47.</b>	<p>Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.</p>
<b>Board's right to refuse to register</b>	<b>48.</b>	<p>a. The Board, may, at its absolute discretion and without assigning any reason, decline to register</p> <ol style="list-style-type: none"> <li>1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or</li> <li>2. Any transfer or transmission of shares on which the Company has a lien</li> </ol> <p>a. Provided that registration of any 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 a lien on the shares.</p> <p>b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.</p> <p>c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.</p> <p>d. The provisions of this clause shall apply to transfers of stock also.</p>

<b>Further right of Board of Directors to refuse to register</b>	<b>49.</b>	<p>a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.</p> <p>b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.</p> <p>c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.</p> <p>d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:</p> <p>i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.</p> <p>ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.</p> <p>iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.</p> <p>iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.</p> <p>v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company.</p> <p>Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor notwithstanding that the residual holding shall be below hundred (100).</p>
<b>Rights to shares on death of a member for transmission</b>	<b>50.</b>	<p>a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.</p> <p>b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.</p> <p>Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.</p> <p>Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.</p> <p>Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.</p>

<b>Rights and liabilities of person</b>	<b>51.</b>	<p>1. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time be required by the Board and subject as herein, after provided elect either</p> <ol style="list-style-type: none"> <li>to be registered himself as a holder of the share or</li> <li>to make such transfer of the share as the deceased or insolvent member could have made.</li> </ol> <p>2. The Board, shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p>
<b>Notice by such a person of his election</b>	<b>52.</b>	<ol style="list-style-type: none"> <li>If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</li> <li>If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</li> <li>All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer had been signed by that member.</li> </ol>
<b>No transfer to infant, etc.</b>	<b>53.</b>	No transfer shall be made to an infant or a person of unsound mind.
<b>Endorsement of transfer and issue of certificate</b>	<b>54.</b>	Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.
<b>Custody of transfer</b>	<b>55.</b>	The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.
<b>Register of members</b>	<b>56.</b>	<p><b>Register of members</b></p> <ol style="list-style-type: none"> <li>The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.</li> </ol> <p><b>Closure of Register of members</b></p> <ol style="list-style-type: none"> <li>The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.</li> </ol> <p><b>When instruments of transfer to be retained</b></p> <ol style="list-style-type: none"> <li>All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.</li> </ol>
<b>Company's right to register transfer by apparent legal owner</b>	<b>57.</b>	The Company shall incur no liability or responsibility whatever in consequence of their 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 same shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given 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 the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.

<b>Alteration Capital</b>	<b>Of</b>	<b>58.</b>	<p><b>Alteration and consolidation, sub-division and cancellation of shares</b></p> <p>a. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:</p> <ol style="list-style-type: none"> <li>1. increase its share capital by such amount as it thinks expedient by issuing new shares;</li> <li>2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;</li> <li>4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division on the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.</li> <li>5. a. Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.</li> <li>b. The resolution whereby any share is sub-divided may determined that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.</li> <li>6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.</li> </ol>
<b>Reduction of capital, etc. by Company</b>	<b>of</b>	<b>59.</b>	<p>The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:</p> <ol style="list-style-type: none"> <li>a. its share capital;</li> <li>b. any capital redemption reserve account; or</li> <li>c. any share premium account.</li> </ol>
<b>Surrender of shares</b>		<b>60.</b>	The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.
<b>Modification Of Rights</b>	<b>Of</b>	<b>61.</b>	<p><b>Power of modify shares</b></p> <p>The rights and privileges attached to each class of shares may be modified, commuted, affected, abrogated in the manner provided in Section 48 of the Act.</p>
<b>Set-off of moneys due to shareholders</b>		<b>62.</b>	Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.
<b>Conversion of shares into Stock</b>	<b>of</b>	<b>63.</b>	<p><b>Conversion of shares</b></p> <p>The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.</p>
<b>Transfer of stock</b>		<b>64.</b>	The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
<b>Right stockholders</b>	<b>of</b>	<b>65.</b>	The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and its assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

<b>Applicability of regulations to stock and stockholders</b>	<b>66.</b>	Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.
<b>Dematerialisation Of Securities</b>	<b>67.</b>	<p><b>a) Definitions</b> For the purpose of this Article: ‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository; ‘SEBI’ means the Securities and Exchange Board of India; ‘Depository’ means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and ‘Security’ means such security as may be specified by SEBI from time to time.</p> <p><b>b) Dematerialisation of securities</b> Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.</p> <p><b>c) Options for investors</b> 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 the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act 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 its record the name of the allottee as the beneficial owner of the security.</p> <p><b>d) Securities in depositories to be in fungible form</b> All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.</p> <p><b>e) Rights of depositories and beneficial owners:</b> (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner. (ii) 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. (iii) 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 the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.</p> <p><b>f) Service of documents</b> Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in 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.</p> <p><b>g) Transfer of securities</b> Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p> <p><b>h) Allotment of securities dealt with in a depository</b> Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p><b>i) Distinctive numbers of securities held in a depository</b></p>

		<p>Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.</p> <p><b>j) Register and Index of Beneficial owners</b> The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.</p> <p><b>k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository</b> Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise 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 express or implied notice thereof.</p>
<b>General Meetings</b>	<b>68.</b>	<p><b>Annual General Meeting</b> The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.</p>
<b>Extraordinary General Meeting</b>	<b>69.</b>	<p><b>Extraordinary General Meeting</b> 1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.</p> <p><b>Right to summon Extraordinary General Meeting</b> 2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.</p>
<b>Extraordinary Meeting by requisition</b>	<b>70.</b>	<p>a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.</p> <p>b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.</p> <p>c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.</p> <p>d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.</p> <p>e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.</p>



<b>Length of notice for calling meeting</b>	<b>71.</b>	<p>A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid- up share capital which gives the right to vote on the matters to be considered at the meeting.</p> <p>Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.</p>
<b>Accidental omission to give notice not to invalidate meeting</b>	<b>72.</b>	The accidental omission is to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.
<b>Special business and statement to be annexed</b>	<b>73.</b>	<p>All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p> <p>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 first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.</p>
<b>Quorum</b>	<b>74.</b>	<p>The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:</p> <p style="padding-left: 40px;">Number of members upto 1000: 5 members personally present  Number of members 1000-5000: 15 members personally present  Number of members more than 5000: 30 members personally present</p>
<b>If quorum not present, when meeting to be dissolved and when to be adjourned</b>	<b>75.</b>	If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
<b>Chairman of General Meeting</b>	<b>76.</b>	The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.
<b>When Chairman is absent</b>	<b>77.</b>	If there is no such Chairman, or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.

<b>Adjournment of meeting</b>	<b>78.</b>	The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.
<b>Questions at General Meeting how decided</b>	<b>79.</b>	At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
<b>Casting vote</b>	<b>80.</b>	In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.
<b>Taking of poll</b>	<b>81.</b>	If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
<b>In what cases poll taken without adjournment</b>	<b>82.</b>	A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.
<b>Votes</b>	<b>83.</b>	a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company. b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period. c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.
<b>Business may proceed notwithstanding demand for poll</b>	<b>84.</b>	A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
<b>Joint holders</b>	<b>85.</b>	In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
<b>Member of unsound mind</b>	<b>86.</b>	A member of unsound mind, or in respect of whom an 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.
<b>No member entitled to vote while call due to Company</b>	<b>87.</b>	No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
<b>Proxies permitted on polls</b>	<b>88.</b>	On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.
<b>Instrument of proxy</b>	<b>89.</b>	<p>a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.</p> <p>b. A body corporate (whether a company within the meaning of this Act or not) may:</p> <ol style="list-style-type: none"> <li>1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;</li> <li>2. If it is a creditor (including a holder of debentures) of the Company, by 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 this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.</li> </ol> <p>c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.</p>
<b>Instrument of proxy to be deposited at the office</b>	<b>90.</b>	The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.
<b>Validity of vote by proxy</b>	<b>91.</b>	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.
<b>Form of proxy</b>	<b>92.</b>	Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.
<b>DIRECTORS</b>	<b>93.</b>	<p><b>Number of Directors</b> Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.</p> <p><b>a) Board of Directors</b> The First Directors of the Company are; <b>1. HARBANSLAL BRIJLAL BHATIA</b> <b>2. SANJEEV HARBANSLAL BHATIA</b></p> <p><b>b) Same individual may be appointed as Chairperson and Managing Director / Chief Executive Office</b> The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive of the Company</p>
	<b>94.</b>	Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.
<b>Qualification of</b>	<b>95.</b>	Any person, whether a member of the Company or not, may be appointed as a Director.

<b>Directors</b>		No qualification by way of holding shares in the capital of the Company shall be required of any Director.
<b>Director's remuneration</b>	<b>96.</b>	<p>a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.</p> <p>b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.</p> <p>c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.</p> <p>d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.</p>
<b>Directors may act notwithstanding vacancy</b>	<b>97.</b>	The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 119 below:
<b>Chairman or Vice-chairman of the Board</b>	<b>98.</b>	<p>a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the company will act as Chairman of the board and Deputy Managing Director will act as Vice chairman of the board.</p> <p>b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable expenses including expenses connected with travel, secretarial service and entertainment, as may be decided by the Board of Directors from time to time.</p>
<b>Casual vacancy</b>	<b>99.</b>	If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.

<b>VACATION OF OFFICE BY DIRECTORS</b>	<b>100.</b>	<p>The office of a Director shall be vacated if:</p> <ol style="list-style-type: none"> <li>1. he is found to be unsound mind by a Court of competent jurisdiction;</li> <li>2. he applies to be adjudicated as an insolvent;</li> <li>3. he is an undischarged insolvent;</li> <li>4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is 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;</li> <li>5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;</li> <li>6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.</li> <li>7. he has not complied with Subsection (3) of Section 152</li> <li>8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.</li> <li>9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;</li> <li>10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.</li> <li>11. he becomes disqualified by an order of a court or the Tribunal</li> <li>12. he is removed in pursuance of the provisions of the Act,</li> <li>13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;</li> </ol> <p>notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:</p> <ol style="list-style-type: none"> <li>1. for thirty days from the date of the adjudication, sentence or order;</li> <li>2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or</li> <li>3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.</li> </ol>
--	-------------	---

<b>Alternate Directors</b>	<b>101.</b>	<p>(a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause “the Original Director” during his absence for a period of not less than 3 months from India.</p> <p>(b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.</p> <p><b>Independent Directors</b></p> <p>(c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or clause 49 of Listing Agreement, whichever is higher, from time to time.</p> <p>(ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and clause 49 of Listing Agreement</p> <p>(iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and Listing Agreement and shall not be liable to retire by rotation.</p> <p><b>Women Director</b></p> <p>(d) The Directors shall appoint one women director as per the requirements of section 149 of the Act.</p> <p><b>Key Managerial Personnel</b></p> <p>(e) Subject to the provisions of the Act,—</p> <p>(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>(iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.</p>
<b>Additional Directors</b>	<b>102.</b>	<p>The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office upto the date of the next Annual General Meeting of the Company.</p> <p><b>Proportion of retirement by rotation</b></p> <p>a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.</p>
<b>Debenture</b>	<b>103.</b>	<p>Any trust deed for securing debentures or debenture-stocks may, if so arranged, 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 and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint 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 bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.</p>

Corporation/Nominee Director	104.	<p>a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as “The Corporation”) out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or instalments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (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 so appointed, any person or persons in his or their place(s).</p> <p>b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and 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.</p> <p>The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation 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 moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.</p> <p>The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.</p> <p>The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, 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 to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.</p> <p>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 so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.</p> <p>c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.</p>
------------------------------	------	---

<b>Disclosure of interest of Directors</b>	<b>105.</b>	<p>a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest.</p> <p>Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.</p> <p>b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.</p>
<b>Rights of Directors</b>	<b>106.</b>	Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.
<b>Directors to comply with Section 184</b>	<b>107.</b>	Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.
<b>Directors power of contract with Company</b>	<b>108.</b>	Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.
<b>ROTATION OF DIRECTORS</b>	<b>109.</b>	<p><b>Rotation and retirement of Directors</b></p> <p>At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.</p>
<b>Retiring Directors eligible for re-election</b>	<b>110.</b>	A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.
<b>Which Directors to retire</b>	<b>111.</b>	The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.
<b>Retiring Directors to remain in office till successors are appointed</b>	<b>112.</b>	Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint 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 national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.
<b>Power of General Meeting to increase or reduce number of Directors</b>	<b>113.</b>	Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.
<b>Power to remove Directors by ordinary resolution</b>	<b>114.</b>	Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person



		so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.
<b>Rights of persons other than retiring Directors to stand for Directorships</b>	<b>115.</b>	Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution".
<b>Register of Directors and KMP and their shareholding</b>	<b>116.</b>	The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.
<b>Business to be carried on</b>	<b>117.</b>	The business of the Company shall be carried on by the Board of Directors.
<b>Meeting of the Board</b>	<b>118.</b>	The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.
<b>Director may summon meeting</b>	<b>119.</b>	A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.
<b>Question how decided</b>	<b>120.</b>	a. Save as otherwise expressly provided in the Act, a meeting of the 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 by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board. b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.
<b>Right of continuing Directors when there is no quorum</b>	<b>121.</b>	The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.
<b>Quorum</b>	<b>122.</b>	The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that onethird being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.
<b>Election of Chairman to the Board</b>	<b>123.</b>	If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.

<b>Power to appoint Committees and to delegate</b>	<b>124.</b>	<p><b>Power to appoint Committees and to delegate</b></p> <p>a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.</p> <p><b>Delegation of powers</b></p> <p>b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.</p> <p>c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.</p>
<b>Proceedings of Committee</b>	<b>125.</b>	The meeting and proceedings of any such Committee 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 not superseded by any regulations made by the Directors under the last proceeding Article.
<b>Election of Chairman of the Committee</b>	<b>126.</b>	<p>a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.</p> <p>b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.</p>
<b>Question how determined</b>	<b>127.</b>	<p>a. A Committee may meet and adjourn as it thinks proper.</p> <p>b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.</p>
<b>Acts done by Board or Committee valid, notwithstanding defective appointment, etc.</b>	<b>128.</b>	All acts done by any meeting of the Board or a Committee thereof, or by any person acting as a Director shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.
<b>Resolution by circulation</b>	<b>129.</b>	Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.
<b>POWERS AND DUTIES OF DIRECTORS</b>	<b>130.</b>	<p><b>General powers of Company vested in Directors</b></p> <p>The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said 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 regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.</p>
<b>Attorney of the Company</b>	<b>131.</b>	The Board may appoint at any time and from time to time by a power of attorney under the Company's seal, any person to be the Attorney 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 Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may,

		if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.
<b>Power to authorise sub delegation</b>	<b>132.</b>	The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.
<b>Directors' duty to comply with the provisions of the Act</b>	<b>133.</b>	The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.
<b>Special power of Directors</b>	<b>134.</b>	In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.
<b>To acquire and dispose of property and rights</b>	<b>135.</b>	<p>a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.</p> <p><b>To pay for property in debentures, etc.</b></p> <p>b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p><b>To secure contracts by mortgages</b></p> <p>c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.</p> <p><b>To appoint officers, etc.</b></p> <p>d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks 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 fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.</p> <p>e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.</p> <p><b>To refer to arbitration</b></p> <p>f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.</p> <p><b>To give receipt</b></p> <p>g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.</p> <p><b>To act in matters of bankrupts and insolvents</b></p> <p>h. To act on behalf of the Company in all matters relating to bankrupts and</p>

		<p>insolvents.</p> <p><b>To give security by way of indemnity</b></p> <p>i. 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 for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.</p> <p><b>To give commission</b></p> <p>j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.</p> <p><b>To make contracts etc.</b></p> <p>k. 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 consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.</p> <p><b>To make bye-laws</b></p> <p>l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.</p> <p><b>To set aside profits for provided fund</b></p> <p>m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.</p> <p><b>To make and alter rules</b></p> <p>n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.</p> <p>o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.</p>
--	--	--

<b>Managing Director</b>	<b>136.</b>	<p>a. Subject to the provisions of Section 196 ,197, 2(94), 203 of the Act, the following provisions shall apply:</p> <p>b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.</p> <p>c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.</p> <p>d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.</p> <p>e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.</p> <p>f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 137 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.</p>
<b>Whole-time Director</b>	<b>137.</b>	<p>1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Wholetime Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.</p> <p>2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.</p>
<b>Secretary</b>	<b>138.</b>	<p>138. The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.</p>
<b>Powers as to commencement of business</b>	<b>139.</b>	<p>Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such</p>

		branch or kind of business.
<b>Delegation of power</b>	<b>140.</b>	Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.
<b>BORROWING</b> <b>Borrowing Powers</b>	<b>141.</b>	<p>a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.</p> <p>Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable 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 or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.</p>
<b>Assignment of debentures</b>	<b>142.</b>	Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.

<b>Terms of debenture issue</b>	<b>143.</b>	<p>a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.</p> <p>b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.</p> <p>c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.</p> <p>d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.</p> <p>e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.</p>
<b>Charge on uncalled capital</b>	<b>144.</b>	Any uncalled capital of the Company may be included in or charged by mortgage or other security.
<b>Subsequent assignees of uncalled capital</b>	<b>145.</b>	Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.
<b>Charge in favour of Director of indemnity</b>	<b>146.</b>	If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.

<b>Powers to be exercised by Board only at meeting</b>	<b>147.</b>	<p>a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.</p> <p>(a) to make calls on shareholders in respect of money unpaid on their shares;</p> <p>(b) to authorise buy-back of securities under section 68;</p> <p>(c) to issue securities, including debentures, whether in or outside India;</p> <p>(d) to borrow monies;</p> <p>(e) to invest the funds of the company;</p> <p>(f) to grant loans or give guarantee or provide security in respect of loans;</p> <p>(g) to approve financial statement and the Board's report;</p> <p>(h) to diversify the business of the company;</p> <p>(i) to approve amalgamation, merger or reconstruction;</p> <p>(j) to take over a company or acquire a controlling or substantial stake in another company;</p> <p>(k) to make political contributions;</p> <p>(l) to appoint or remove key managerial personnel (KMP);</p> <p>(m) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>(n) to appoint internal auditors and secretarial auditor;</p> <p>(o) to take note of the disclosure of director's interest and shareholding;</p> <p>(p) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;</p> <p>(q) to invite or accept or renew public deposits and related matters;</p> <p>(r) to review or change the terms and conditions of public deposit;</p> <p>(s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</p> <p>(t) such other business as may be prescribed by the Act.</p> <p>b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.</p> <p>c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.</p> <p>d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.</p> <p>e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.</p>
<b>Register of mortgage to be kept</b>	<b>148.</b>	The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.
<b>Register of holders of debentures</b>	<b>149.</b>	Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.



<b>Inspection of copies of and Register of Mortgages</b>	<b>150.</b>	The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.
<b>Supplying copies of register of holder of debentures</b>	<b>151.</b>	The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.
<b>Right of holders of debentures as to Financial Statements</b>	<b>152.</b>	Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.
<b>Minutes</b>	<b>153.</b>	a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board. b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.
<b>Managing Director's power to be exercised severally</b>	<b>154.</b>	All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.
<b>MANAGER</b>	<b>155.</b>	<b>Manager</b> Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.
<b>Common Seal</b>	<b>156.</b>	The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors.
<b>Affixature of Seal</b>	<b>157.</b>	The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director and the Secretary in whose presence the seal shall have been affixed or such other person as may, from time to time, be authorised by the Board and provided nevertheless that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company.
<b>DIVIDENDS AND RESERVES</b>	<b>158.</b>	<b>Rights to Dividend</b> The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.
<b>Declaration of Dividends</b>	<b>159.</b>	The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
<b>What to be deemed net profits</b>	<b>160.</b>	The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.
<b>Interim Dividend</b>	<b>161.</b>	The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
<b>Dividends to be paid out of profits only</b>	<b>162.</b>	No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.

<b>Reserve Funds</b>	<b>163.</b>	<p>a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.</p> <p>b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.</p>
<b>Method of payment of dividend</b>	<b>164.</b>	<p>a. Subject to the rights of persons, if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid.</p> <p>b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.</p> <p>c. 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 shares shall rank for dividend accordingly.</p>
<b>Deduction of arrears</b>	<b>165.</b>	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls in relation to the shares of the Company or otherwise.
<b>Adjustment of dividend against call</b>	<b>166.</b>	Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.
<b>Payment by cheque or warrant</b>	<b>167.</b>	<p>a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.</p> <p>b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> <p>c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.</p>
<b>Retention in certain cases</b>	<b>168.</b>	<p>The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.</p> <p><b>Receipt of joint holders</b></p> <p>(A) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:</p> <p>a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and</p> <p>b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.</p>
<b>Deduction of arrears</b>	<b>169.</b>	Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.
<b>Notice of Dividends</b>	<b>170.</b>	Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.

<b>Dividend not to bear interest</b>	<b>171.</b>	No dividend shall bear interest against the Company.
<b>Unclaimed Dividend</b>	<b>172.</b>	No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.
<b>Transfer of share not to pass prior Dividend</b>	<b>173.</b>	Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
<b>Capitalisation of Profits</b>	<b>174.</b>	<p><b>Capitalisation of Profits</b></p> <p>a. The Company in General Meeting, may on the recommendation of the Board, resolve:</p> <ol style="list-style-type: none"> <li>that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and</li> <li>that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.</li> </ol> <p>b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Subclause (3) either in or towards:</p> <ol style="list-style-type: none"> <li>paying up any amount for the time being unpaid on any share held by such members respectively;</li> <li>paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or</li> <li>partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).</li> </ol> <p>c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.</p> <p>d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.</p>
<b>Powers of Directors for declaration of Bonus</b>	<b>175.</b>	<p>a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:</p> <ol style="list-style-type: none"> <li>make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and</li> <li>generally do all acts and things required to give effect thereto.</li> </ol> <p>b. The Board shall have full power:</p> <ol style="list-style-type: none"> <li>to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;</li> <li>to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.</li> </ol> <p>c. Any agreement made under such authority shall be effective and binding on all such members.</p>

<b>ACCOUNTS</b>  <b>Books of account to be kept</b>	<b>176.</b>	<p>a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.</p> <p>b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.</p> <p>c. The books of accounts shall be open to inspection by any Director during business hours.</p>
<b>Where books of account to be kept</b>	<b>177.</b>	The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.
<b>Inspection by members</b>	<b>178.</b>	The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.
<b>Statement of account to be furnished to General Meeting</b>	<b>179.</b>	The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.
<b>Financial Statements</b>	<b>180.</b>	Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.
<b>Authentication of Financial Statements</b>	<b>181.</b>	<p>a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.</p> <p>b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.</p>
<b>Auditors Report to be annexed</b>	<b>182.</b>	The Auditor's Report shall be attached to the financial statements.
<b>Board's Report to be attached to Financial Statements</b>	<b>183.</b>	<p>a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.</p> <p>b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.</p> <p>c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.</p> <p>d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.</p> <p>e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.</p>

<b>Right of member to copies of Financial Statements</b>	<b>184.</b>	The Company shall comply with the requirements of Section 136.
<b>Annual Returns</b>	<b>185.</b>	The Company shall make the requisite annual return in accordance with Section 92 of the Act.
<b>AUDIT</b>	<b>186.</b>	<p><b>Accounts to be audited</b></p> <p>a. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.</p> <p>b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.</p> <p>c. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.</p> <p>d. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.</p> <p>e. The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government.</p> <p>f. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and</p> <p>2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.</p> <p>g. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.</p> <p>h. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.</p> <p>i. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.</p> <p>j. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.</p>
<b>Audit of Branch Offices</b>	<b>187.</b>	The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.
<b>Remuneration of Auditors</b>	<b>188.</b>	The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.
<b>Rights and duties of Auditors</b>	<b>189.</b>	a. Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.

		<p>b. All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.</p> <p>c. The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:</p> <ol style="list-style-type: none"> <li>1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and</li> <li>2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.</li> </ol> <p>d. The Auditor's Report shall also state:</p> <ol style="list-style-type: none"> <li>(a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;</li> <li>(b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;</li> <li>(c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;</li> <li>(d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;</li> <li>(e) whether, in his opinion, the financial statements comply with the accounting standards;</li> <li>(f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;</li> <li>(g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;</li> <li>(h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;</li> <li>(i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;</li> <li>(j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;</li> <li>(k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;</li> <li>(l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.</li> </ol> <p>e. Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.</p> <p>f. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.</p>
Accounts whether audited and approved to be	190.	Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the

<b>conclusive</b>		accounts shall forthwith be corrected, and henceforth be conclusive.
<b>Service of documents on the Company</b>	<b>191.</b>	A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.
<b>How documents to be served to members</b>	<b>192.</b>	<p>a. A document (which expression for this purpose shall be deemed to included and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.</p> <p>b. All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.</p> <p>c. Where a document is sent by post:</p> <p>i. service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;</p> <p>a. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and</p> <p>b. in any other case, at the time at which the letter should be delivered in the ordinary course of post.</p>
<b>Members to notify address in India</b>	<b>193.</b>	Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.
<b>Service on members having no registered address in India</b>	<b>194.</b>	If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.
<b>Service on persons acquiring shares on death or insolvency of members</b>	<b>195.</b>	A document may be served by the Company to the persons 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 the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.
<b>Notice valid though member deceased</b>	<b>196.</b>	Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.

<b>Persons entitled to Notice of General Meeting</b>	<b>197.</b>	<p>197. Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;</p> <p>(a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;</p> <p>(b) the auditor or auditors of the company; and</p> <p>(c) every director of the company.</p> <p>Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.</p>
<b>Advertisement</b>	<b>198.</b>	<p>a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.</p> <p>b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.</p>
<b>Transference, etc. bound by prior notices</b>	<b>199.</b>	Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.
<b>How notice to be signed</b>	<b>200.</b>	Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.
<b>AUTHENTICATI ON OF DOCUMENTS</b>	<b>201.</b>	<p><b>Authentication of document and proceeding</b></p> <p>Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.</p>
<b>Winding up</b>	<b>202.</b>	Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.
<b>Division of assets of the Company in specie among members</b>	<b>203.</b>	If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and 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 the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves 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 liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.



<b>INDEMNITY AND RESPONSIBILITY</b>	<b>204.</b>	<p><b>Directors' and others' right to indemnity</b></p> <p>a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company 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, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.</p> <p>b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.</p>
	<b>205.</b>	<p>Subject to the provisions of Section 197 of the Act, no Director 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 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 and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part of for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.</p>
<b>SECRECY CLAUSE</b>	<b>206.</b>	<p>a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.</p> <p>b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.</p>

<b>REGISTERS, INSPECTION AND COPIES THEREOF</b>	<b>207.</b>	<p>a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days notice to the company about his intention to do so.</p> <p>b. Any ,Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.</p>
<b>GENERAL AUTHORITY</b>	<b>208.</b>	Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.

## **SECTION X – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the ROC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 132, Dr Ambedkar Shopping Centre, Ring Road, Surat – 395 002 from date of filing the Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### **Material Contracts**

1. Memorandum of understanding dated January 19, 2018 between our Company, Selling Shareholder and the Lead Manager.
2. Agreement dated January 24, 2018 between our Company, Selling Shareholder and the Registrar to the Issue.
3. Underwriting Agreement dated January 19, 2018 between our Company, Selling Shareholder, Lead Manager, and Underwriter.
4. Market Making Agreement dated January 19, 2018 between our Company, Lead Manager and Market Maker.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated January 31, 2018.
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated January 31, 2018.
7. Banker's to the Issue Agreement February 2, 2018 dated between our Company, the Lead Manager, Banker to the Issue, Selling Shareholder and the Registrar to the Issue.
8. Share Escrow Agreement dated January 24, 2018 between our Company, Selling Shareholder, the LM and Escrow Agent.

#### **Material Documents**

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board resolution dated January 05, 2018 and special resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on January 05, 2018.
3. Board resolution dated January 05, 2018 for Offer for Sale passed pursuant to Section 28 of Companies Act, 2018.
4. Copies of the Authority letter provided by the Selling Shareholder dated January 01, 2018.
5. Statement of Tax Benefits dated January 18, 2018 issued by M/s. R Kejriwal & Co, Chartered Accountants.
6. Copies of Audited Financial Statements of our Company for the period ended on September 30, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 & 2013.

7. Copy of Restated Financial Statement from the peer review auditor certified by M/s. R Kejriwal & Co, Chartered Accountants, dated January 18, 2018 included in the Prospectus for period ended on September 30, 2017 and Financial Year ended March 31, 2017, 2016, 2015, 2014 & 2013.
8. Copy of Certificate from the Auditor dated January 19, 2018, regarding the source and deployment of funds as on January 18, 2018.
9. Consents of Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Peer Review Auditor, Legal Advisor to the Issue, Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Company, Banker to the Issue and Selling Shareholder to include their names in the Prospectus to act in their respective capacities.
10. Due Diligence Certificate dated January 25, 2018 from the Lead Manager filed with BSE.
11. Copy of resolution dated January 05, 2018 and agreement dated January 05, 2018 for appointment and fixing remuneration of Mr. Sanjeev Bhatia, as a Managing Director and Mr. Harbanslal Bhatia, and Mr. Nikhil Bhatia, as a Whole Time Director of the company.
12. Copy of Approval dated February 2, 2018 from the SME Platform of BSE.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

The undersigned Selling Shareholder hereby certifies that all statements, disclosures and undertakings made by him in this Prospectus in relation to himself and the Equity Shares being offered by him in the Offer for Sale are true and correct, provided however, the undersigned Selling Shareholder assumes no responsibility for any of the statements made by our Company or any expert or any other person(s) in this Prospectus.

**Signed by the Selling Shareholder**

**Sd/-  
Sanjeev Bhatia**

**Place: Surat  
Date: February 2, 2018**

## SECTION XI

### DECLARATION

All the relevant provisions of the Companies Act, 1956 / Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 1956 / Companies Act, 2013 (to the extent notified) the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in this Prospectus are true and correct.

**Signed by the Directors of the Company:**

Name	Designation	Signature
Mr. Sanjeev Bhatia	Managing Director	
Mr. Nikhil Bhatia	Whole Time Director	
Mr. Harbanslal Bhatia	Whole Time Director	
Mr. Arpit Jain	Independent Director	
Mr. Rachit Narang	Independent Director	
Ms. Rashmi Arora	Independent Director	

**Signed by:**

Name	Designation	Signature
Ms. Avani Chaudhari	Company Secretary & Compliance Officer	
Mr. Ravindra Sojal	Chief Financial Officer	

**Place: Surat**

**Date: February 2, 2018**