



**PULZ ELECTRONICS LIMITED**

Our Company was incorporated as Pulz Electronics Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated July 25, 2005 in Kolkata, West Bengal. Subsequently, our Company was converted into public limited company pursuant to which the name of our Company was changed to "Pulz Electronics Limited" vide shareholder's approval on March 03, 2017 and fresh certificate of incorporation was issued on March 22, 2017. The Corporate Identification Number of Our Company is U32109WB2005PLC104357. For further details please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on page 127 of this Red Herring Prospectus

**Registered Office:** 46 Satish Mukherjee Road, Kolkata- 700026, West Bengal, India.

**Corporate Office:** Kailashpati, 2nd Floor, Plot No. 10A, Veera Desai Road, Andheri (West), Mumbai-400053, Maharashtra, India

**Tel No:** +91 22 26732593; **E-mail:** mumbai@pulz.co.in; **Website:** www.pulz.biz

**Contact Person: Mr. Anirvan Partha Ghose, Managing Director**

**Promoters of our Company: Mr. Anirvan Partha Ghose and Mr. Ramakrishnan Krishnaraju Manden Kattil**

**THE ISSUE**

**PUBLIC ISSUE OF FRESH ISSUE OF 7,26,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) AGGREGATING UP TO RS. [●] LAKHS (THE "ISSUE") BY OUR COMPANY OF WHICH 38,000 EQUITY SHARES OF FACE VALUE OF 10/- EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE, AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION") THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E ISSUE OF 6,88,000 EQUITY SHARES OF RS. 10/- EACH FULLY PAID UP IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.63% AND 25.24% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND, DISCOUNT, IF ANY, TO BIDDERS AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER BUSINESS STANDARD, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER BUSINESS STANDARD AND KOLKATA EDITION OF THE REGIONAL NEWSPAPER EK DIN, EACH WITH WIDE CIRCULATION, AT LEAST 5 (FIVE) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.**

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

**THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH. THE ISSUE PRICE IS RS. [●] PER EQUITY SHARE. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE.**

**THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 (AS AMENDED FROM TIME TO TIME)**  
*For further details please refer to "Section VII - Issue Information" beginning on page 271 of this Red Herring Prospectus.*

All potential investors shall participate in the Issue through Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self-Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 280 of this Red Herring Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. Face value of equity shares Rs. 10/- each. The Floor Price is 5.1 times the face value and the Cap Price is 5.4 times the face value. The Issue Price (determined and justified by our Company, in consultation with the BRLM as stated in "Basis for Issue Price" on page 94 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing

**GENERAL RISKS**

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 20 of this Red Herring Prospectus.

**COMPANY'S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the NSE Emerge Platform. Our Company has received an in-principle letter dated April 26, 2017 from NSE for using its name in this offer document for listing of our Equity Shares on the NSE Emerge Platform. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").

**BOOK RUNNING LEAD MANAGER**

**SARTHI CAPITAL ADVISORS PRIVATE LIMITED**

159/11, Amar Brass Compound,  
 Vidyanaigari Marg, Kalina, Santacruz (E),  
 Mumbai – 400098, Maharashtra India

**Tel:** (022) 26528671/72

**Fax:** (022) 26528673

**Investor Grievance Email:** ipo@sarthiwm.in

**Website:** www.sarthi.in

**Contact Person:** Mr. Deepak Sharma

**SEBI Registration No.:** INM000012011



S A R T H I

**REGISTRAR TO THE ISSUE**

**BIGSHARE SERVICES PRIVATE LIMITED**

Bharat Tin Works Building, 1<sup>st</sup> Floor,  
 Opp. Vasant Oasis, Makwana Road,  
 Marol, Andheri East, Mumbai- 400059

**Tel:** +91 22 62638200

**Fax:** +91 22 62638299

**E-mail:** ipo@bigshareonline.com

**Website:** www.bigshareonline.com

**Contact Person:** Mr. Ashok Shetty

**SEBI Registration No.:** INR000001385



**BID/ISSUE PROGRAMME**

**BID/ISSUE OPENS ON: NOVEMBER 14, 2017**

**BID/ISSUE CLOSSES ON: NOVEMBER 16, 2017**

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

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

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

Company Related Terms	
Term	Description
Articles or Articles of Association or AOA	The Articles of association of our Company, as amended from time to time
Auditor or Statutory Auditor	The Auditor of our Company being M/s. KNP and Associates, Chartered Accountants having their office at 303/304, Shyamkamal “D”, Tejpal Road, Vile Parle (East), Mumbai -400057, Maharashtra, India.
Bankers to our Company	Yes Bank Limited.
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof.
Company Secretary and Compliance Officer	Ms. Hetali Harish Mehta
Corporate Office	The Corporate office of our Company is located at Kailashpati, 2 <sup>nd</sup> Floor, Plot No. 10A, Veera Desai Road, Andheri (West), Mumbai-400053, Maharashtra, India.
Director(s)	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of our Company of face value of Rs. 10/-each.
Equity Shareholders	Persons holding equity shares of our Company.
Group Companies	Includes those companies, firms and ventures promoted by our Promoters, irrespective of whether such entities are covered under the Companies Act, 2013 and disclosed in the chapter titled “Our Group Entities” beginning on page 148 of this Red Herring Prospectus.
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time.
“Promoters” or “Our Promoters”	Promoters of our company being Mr. Anirvan Partha Ghose and Mr. Ramakrishnan Krishnaraju Manden Kattil.
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled “Our Promoters and Promoter Group” beginning on page 143 of this Red Herring Prospectus.



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“Pulz Electronics Limited.”, or “Pulz”, or “the Company”, or “our Company” or “we”, “us”, or “our” and the “Issuer Company” Pulz Electronics Limited, a public limited company incorporated under the provisions of the Companies Act, 1956.

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Registered Office The Registered office of our Company is located at 46 Satish Mukherjee Road, Kolkata-700026, West Bengal

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RoC Registrar of Companies, West Bengal, Kolkata.

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Subsidiary Peerless Speakers Private Limited

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**Issue Related Terms**

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as a proof of registration of the Bid.
Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Bidders.
Allotment/ Allotted	Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Bidders.
Allottee(s)	Successful Bidders to whom Equity Shares of our Company shall have been allotted.
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the bid amount in a bank account maintained with SCSB.
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Bid Amount.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat.
ASBA Bidder	Any prospective investor(s)/bidder(s) in this Issue who apply(ies) through the ASBA process.
Banker(s) to the Issue(s)/ Public Issue Bank.	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being Axis Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled “ <i>Issue Procedure</i> ” beginning on page 280 of this Red Herring Prospectus.
Bid(s)	An indication to make an Issue during the Bid Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form.
Bid Amount	The amount at which the bidder makes a bid for Equity Shares of our Company in terms of this Red Herring Prospectus.
Bid cum Application Form	The application form in terms of which a Bidder (including an ASBA Bidder) makes a Bid in terms of the Red Herring Prospectus and which will be considered as an application for allotment.
Bid/ Issue Closing Date	November 09, 2017, the date after which the Syndicate and SCSBs shall not accept any Bids.

Term	Description
Bid/ Issue Opening Date	November 07, 2017, the date on which the Syndicate and SCSBs shall start accepting Bids.
Bid/ Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date inclusive of both the days during which prospective investors may submit their bids, including any revision thereof.
Bid/ Issue Price	The price at which the Equity shares are being issued by our Company under this Red Herring Prospectus being Rs. [●]/- per Equity share of face value of Rs. 10 each fully paid.
Bid/ Issue Proceeds	Proceeds from the fresh issue that will be available to our Company, being Rs. [●]
Bid Lot	2000 Equity Shares
Bidder	Any prospective investor who intends to bid for Equity shares in this issue in terms of this Red Herring Prospectus
Bidding Centre(s)	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branch for SCSBs, Specified Locations for Syndicate Broker centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDP.
Book Building Process/ Book Building Method	The book building route as provided under Schedule XI of the SEBI (ICDR) Regulations, 2009 in terms of which the Issue is being made.
Book Running Lead Manager/ BRLM	Book running Lead Manager to the Issue in this case being Sarthi Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Broker Centres	Broker centres notified by the Stock Exchanges, where the bidders can submit the bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of National Stock Exchange of India Limited.
CAN / Confirmation of Allocation Note	The notice or advice or intimation of Allocation of Equity Shares sent to the successful Bidders who have been Allocated Equity Shares upon the discovery of the Issue Price in accordance with the Book Building Process, including any revisions thereof
Cap Price	The higher end of the Price Band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered
Controlling Branch	Such branch of the SCSBs which coordinate bids under this Issue by the ASBA Bids with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.

Term	Description
Cut-Off Price	Any price within the Price Band finalized by our Company in consultation with BRLM. A Bid submitted at Cut-Off price is valid price at all levels within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price for a Bid Amount not exceeding Rs. [●]. No other category of bidders is entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Bidders and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	Designated date means the date on which fund transfer instructions will be released to the controlling branches of SCSB's upon approval of basis of allotment by designated Stock exchange, NSE, following which the Board of Directors shall allot/credit the equity shares to successful bidders.
Designated Stock Exchange	National Stock Exchange of India Limited (NSE).
Draft Herring Prospectus	Red The Draft Red Herring Prospectus issued in accordance with Section 32 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulations.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Emerge Platform of NSE	The Emerge Platform of NSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an NSE Emerge on October 14, 2011.
FII/ Institutional Investors	Foreign Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995 as amended) registered with SEBI under applicable laws in India.
First/ Sole Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form



Term	Description
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalized and below which no Bids will be accepted.
Issue/ Issue Size/ Initial Public Issue/ Public Offer/ Initial Public Offering/ IPO	Public Issue of 7,26,000 Equity Shares of face value of Rs. 10 each fully paid of Pulz Electronics Limited for cash at a price of Rs. [●] per Equity Share (including a premium of Rs [●] per Equity Share) aggregating Rs. [●] lakhs.
Issue Agreement	The agreement dated March 24, 2017 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Red Herring Prospectus being Rs. [●] per Equity Share of face value of Rs.10 each fully paid.
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being Rs. [●] lakhs.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Making Agreement	Market Making Agreement dated March 24, 2017 between our Company, BRLM and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Choice Equity Broking Private Limited, who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	The Reserved Portion 38,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] lakhs for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India.
Net Issue	The Issue excluding the Market Maker Reservation Portion of 6,88,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. [●] Equity Share aggregating Rs. [●] lakhs by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled "Objects of the Issue" beginning on page 89 of this Red Herring Prospectus.
Non Institutional Bidders	All Bidders that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than Rs. 2,00,000.
OCB/Overseas	A company, partnership, society or other corporate body owned directly or indirectly to the extent

Term	Description
Corporate Body	of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price band of a minimum price (Floor price) of Rs. 51 and the maximum price (cap price) of Rs. 54 and includes revisions thereof. The Price Band for the Issue will be decided by our Company in consultation with the BRLM and advertised in two National Daily newspaper (one each in English and Hindi) with wide circulation and one daily regional newspaper with wide circulation at least five working days prior to the Bid/Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, finalizes the Issue Price.
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information.
Public Issue Account	Public Issue Account means the accounts opened with the Banker(s) to the Issue i.e. Axis Bank Limited to receive monies from the SCSBs by the ASBA Applicants, in each case on the Designated Date in terms of Section 40 of the Companies Act, 2013
Qualified Institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 lakhs, pension fund with minimum corpus of Rs. 2,500 lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Red Herring Prospectus or RHP	<p>The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereof.</p> <p>The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the pricing date.</p>
Refund Account	Account(s) to which Bid monies to be refunded to the Bidder shall be transferred from the Public

Term	Description
(s)	Issue Account in case listing of does not occur.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened Account in case listing of Equity Shares does not occur, in this case being Axis Bank Limited.
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having Corporate office at Bharat Tin Works Building, 1stFloor, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400059.
Retail Individual Investor	Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i> ) and ASBA Bidders, who apply for an amount less than or equal to Rs. 2,00,000.
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares in any of their Bid cum Application Forms or any previous Revision Form(s).
SCSB/ Certified Syndicate Banker.	Self Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=34or">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=34or</a> at such other website as may be prescribed by SEBI from time to time.
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time
Syndicate ASBA Bidding Locations	Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Baroda and Surat.
Transaction Registration Slip/ TRS	The slip or document issued by the Syndicate or the SCSB (only on demand), to the Bidder as proof of registration of the Bid.
Underwriters	Sarathi Capital Advisors Private Limited
Underwriting Agreement	The agreement dated March 24, 2017 entered into between the Sarathi Capital Advisors Private Limited and our Company
Working Day	Unless the context otherwise requires: Working Days shall be all trading days of stock exchange excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

**Technical and Industry Terms**

Term	Description
AMP	Amplifier
AVT	Air Velocity Transformer
DB	Decibel
DPT	Dynamic Power Tracking
DSP	Digital Signal Processor
DTS	Dedicated to Sound
DSP	Digital Signal Processing
HF	High Frequency
ICTA	International Cinema Technology Association
IFFI	International Film Festival of India
LF	Low Frequency
NFDC	National Film Development Corporation of India
OEM	Original Equipment Manufacture
OP-AMP	Operational Amplifier
POWER AMP	Audio Power Amplifier
PRO	Proline
SMPTE	Society of Motion Picture and Television Engineers

**Conventional and General Terms/ Abbreviations**

Term	Description
A/c	Account
Act	The Companies Act, 1956 and amendments thereto including provisions of Companies Act 2013, wherever notified.
AGM	Annual General Meeting
AMC	Annual Maintenance Contract
Articles	Articles of Association of the Company as originally framed or as altered from time to time in pursuance of any previous companies' law or of this Act.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment Year
ASBA	Applications Supported by Blocked Amount
B.A.	Bachelor of Arts
B.Com.	Bachelor's Degree in Commerce
BIFR	Board for Industrial and Financial Reconstruction
BL	Block Level
NSE	National Stock Exchange of India Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CIN	Corporate Identification Number
CMMI	Capability Maturity Model Integration
Companies Act	Companies Act, 1956 as amended from time to time, including sections of Companies Act, 2013 wherever notified by the Central Government.
CSO	Central Statistical Organization
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.

Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity
DB	Designated Branch
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items.
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EPS	Earnings per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, as amended from time to time and the regulations framed there under.
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto.
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India.
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
F.Y	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GOI	Government of India.
GST	Goods and Service Tax

HNI	High Networth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ Regulations/ SEBI Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.
Indian GAAP	Generally accepted accounting principles in India.
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International financial reporting standards.
IPC	Indian Penal Code
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT	Information Technology
IT Act	The Income-tax Act, 1961 as amended from time to time except as stated otherwise.
IT Rules	The Income-tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
JV	Joint venture
KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 130 of this Red Herring Prospectus.
LRO	Land Reforms Officer
Ltd.	Limited
MBA	Master in Business Administration
M.Com	Master of Commerce
MD	Managing Director
MoU	Memorandum of Understanding
MNC	Multinational Corporation
N/A or NA	Not Applicable

NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account.
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited.
OS	Operating System
p.a.	Per Annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
Ron	Return on Net Worth.



Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	National Stock Exchange of India Limited
Sq.	Square
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA	United States of America
USD or US\$	United States Dollar

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U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
Venture Capital Fund(s)/ VCF(s)	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time.
WDV	Written Down Value
w.e.f.	With effect from
YoY	Year over Year

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Notwithstanding the following: -

- (i) In the section titled '*Main Provisions of the Articles of Association*' beginning on page 302 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- (ii) In the chapter titled "*Statement of Possible Tax Benefits*" beginning on page 96 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- (iii) In the section titled '*Financial Statements*' beginning on page 158 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

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

### FINANCIAL DATA

Unless stated otherwise, the financial data included in this Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘Financial Statements’ beginning on page 158 of this Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘Financial Statements’ beginning on page 158 of this Red Herring Prospectus.

### CURRENCY OF PRESENTATION

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

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

### INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Red Herring Prospectus have been obtained from Centre for Monitoring Indian Economy (CMIE), Indian Brand Equity Foundation (IBEF), Asian Development Bank, Reserve Bank of India as per Base Year 2011-12, [india.inbusiness.nic.in](http://india.inbusiness.nic.in), World Bank, Planning commission, IBEF, Equity Master (Overview), etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Red Herring Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

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

## FORWARD-LOOKING STATEMENTS

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

Important factors that could cause actual results to differ materially from our expectations include, among others:

- Our failure to keep pace with rapid changes in technology;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our capital expenditure requirements;
- Our ability to meet our working capital requirements;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 20 and 238 respectively of this Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

## SECTION II – RISK FACTORS

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

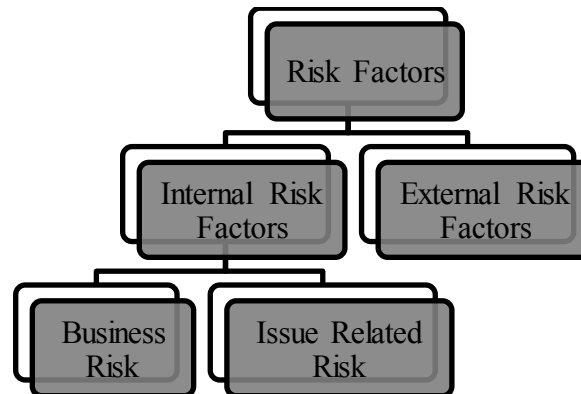
*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 104, “Our Industry” beginning on page 98 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 238 respectively, of this Red Herring Prospectus as well as other financial information contained herein.*

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

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

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

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



**A. INTERNAL RISK FACTORS**

**I. Business Risks/ Company specific Risk**

- 1. Any change in the technology may render our current technologies obsolete or require us to make substantial capital investment to cope with the market.**

Technology upgradation is a regular process and it is also essential for providing the desired quality to the customers. We are taking all the possible steps to keep our manufacturing facilities in line with the latest technology. However, any further upgradation in the technology may render our current technology obsolete and require us to upgrade the existing technology or implement new technology. Further implementing new technology may require us to incur huge capital expenditure which could affect our cash flows and result of operations.

- 2. We face competition in our business from domestic & international competitors. Such competition would have an adverse impact on our business and financial performance.**

The industry, in which we are operating, is highly and increasingly competitive and our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

- 3. Our registered office and corporate office premises are not owned by us and are taken on lease.**

Following are the details of registered office and corporate office:

Type	Ownership	Period of Lease
Registered Office	Mr. Parthasarathy Ghose	March 01, 2015 to November 01, 2017
Corporate Office	M/s. R & S Electronics (Partnership Firm)	April 01, 2017 to March 31, 2020

Our registered office has been taken on lease/rent. There are certain conditions in the Lease/Rent deeds of the property(s), any non-adherence to the said conditions could render the lessor of the property not to renew the lease deed. In case the owner of the property doesn't renew the said rent agreement or the lease deed or renew the same on the term which are detrimental to the company we may suffer a disruption in our business and operation and adversely affect our revenue.

For further details of the property refer chapter titled "Our Business" beginning on page 104 of this Red Herring Prospectus.

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

Our lease agreement for registered office, corporate office and warehouse has not been stamped & registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in

legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

**5. *We have to update the name of our company in some of our statutory approvals and certificates due to the conversion of our company.***

Some of our statutory approvals and certificates are in the name of Pulz Electronics Private Limited. Since our company was converted into a public limited company pursuant to shareholder's approval on March 03, 2017 vide fresh Certificate of Incorporation dated March 22, 2017 we have to update the name Pulz Electronics Limited on some of our statutory approvals and certificates. We cannot ensure that we will be able to update the said documents on timely manner.

**6. *Delay in filing of certain forms under Companies Act with Registrar of Companies (RoC).***

We have delayed in filing of certain forms under Companies Act with RoC and although the Company has paid additional fees for the same, such non-compliance may result in penalties or other action against our Company.

Below is the detail of forms filed late for last three years.

Particulars	Condonation of Delay
Annual filing forms for F.Y. 2013-14 to 2015-16	Additional Fees

**7. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflict of interest with the equity shareholders.***

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties. For details, please refer to the Statement of Related Party Transactions under chapter "Financial Statement" beginning on page 158 of this Red Herring Prospectus. We cannot assure you that we will receive similar terms in our related party transactions in the future. We cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. The transactions we have entered into and any further transactions with our related parties have involved or could potentially involve conflicts of interest which may be detrimental to our Company. Though the Companies Act, 2013 has brought into effect significant changes to the Indian company law framework including specific compliance requirements such as obtaining prior approval from the audit committee, board of directors and shareholders for certain related party transactions, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on business and financial results, including because of potential conflicts of interest or otherwise.

**8. *Our business is subject to various operating risks at our project sites, the occurrence of which can affect our results of operations and consequently, financial condition of our Company.***

Our business operations are subject to operating risks, such as breakdown or failure of equipments used at the project sites, shortage of consumables, performance below expected levels of output or efficiency, labour disputes and accidents. As we do not have big project sites, there is a risk of small accidents or our equipment failure. The occurrence of these risks, if any, could affect our operating results, and we may have to lose customers which may affect our operating results.

**9. *Our Company has availed certain secured loans that are callable by the lender at any time.***

Our Company has availed certain secured loan from Yes Bank of Rs. 2.5cr that is callable on demand by the lender. In such cases, the lender is empowered to require repayment of the facility at any point in time during

the tenure. We may not be able to secure fresh funds or have internal accruals to repay those loans. As a result, our cash flow may be affected resulting in working capital constraints. For further details please refer “Financial Indebtedness” in the chapter “Financial Information” beginning on page 158 of this Red Herring Prospectus.

**10. We are subject to risks arising from exchange rate fluctuations.**

The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Any adverse fluctuations with respect to the exchange rate of any foreign currency for Indian Rupees may affect the Company’s profitability. The effect of exchange fluctuation is neutralized to the extent of exports made by our Company in foreign currency terms.

Our Company has made below imports & exports as on March 31, 2017 and June 30, 2017:

(Rs. in Lakhs)

Sr. No.	Particulars	June 30, 2017	March 31, 2017
1.	CIF Value of Import of Raw Material	150.61	356.71
2.	Expenditure in Foreign Currency	9.09	58.27
3.	Earnings in Foreign Currency	79.03	245.71

**11. Our Company had negative cash flows from our investing activities as well as financing activities in some of the previous year(s):**

Our Company had negative cash flows from our investing activities as well as financing activities in some of the previous year(s) as per the Audited Financial Statements and the same are summarized as under:

(Rs. In lakhs)

Particulars	As on June30, 2016	As on March 31, 2017	As on March 31, 2016	As on March 31, 2015	As on March 31, 2014	As on March 31, 2013
Cash Flow from/ (used in ) Operating Activities	46.60	49.39	39.55	110.15	(38.40)	6.18
Cash Flow from/ (used in ) Investing Activities	(7.40)	(10.30)	(28.99)	(24.30)	(157.29)	1.63
Cash Flow from/ (used in ) Financing Activities	(3.60)	(37.51)	(5.91)	(87.51)	189.16	(5.79)

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

**12. Our business depends largely on purchase of material and components and any shortage or interruption in the supply or decrease in quality could adversely affect our business or results of operations.**

Our Company mainly purchases materials and components from various suppliers both domestic and international, for our manufacturing operations. We are therefore, entirely dependent on external suppliers for the materials and components which constitutes a majority of the total cost of operations. The price of material and component largely depends on the market conditions and overall demand of these. Generally, any increase in prices of material and components is passed on to our customers. However, any adverse fluctuations in the price which we may not be able to pass on to our customers could have a material adverse



effect on our total cost of production. Further, any material shortage or interruption in the supply or decrease in quality of these materials and components could also adversely impact our business operations.

**13. *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.

**14. *Our Company does not have any contract/agreement with the customer for sell of its product.***

The Company gets purchase order from customers specifying quantity and products required. However, the Company does not enter into contract/agreement with Customers. The agreement is entered in respect of annual maintenance contracts for upkeeping of speakers and amplifiers and any dispute with the customer may have an adverse effect on the business of the company.

**15. *Our Company does not have any formal contract for the purchase of Raw Materials with its supplier.***

The Company has both domestic and international suppliers for its audio components. However, the Company has not entered into any formal agreement for supply of raw materials. Any potential conflict of interest may affect the business of the company.

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

The demand for our products depends on quality that we manufacture and market. Any failure of ours to maintain the quality standards may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customer's quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

**17. *We are susceptible to the risk of potential losses in the event fire breaks out in our factory.***

The raw material that we use for manufacturing process are inflammable. In the wake of any blaze or fire-breakout in our factory due to short circuit or otherwise, it may potentially cripple our operations. However, we have adequate fire fighting systems and security systems available to thwart any such fire.

**18. *In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. We believe that we have obtained all the requisite permits and licenses which are adequate to run our business. However, there is no assurance that there are no other statutory/regulatory requirements which we are required to comply with.

Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied with by us. Any default by our Company in complying with the same, may result in inter alia 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.

For further details, please refer to section titled “Government and Other Approvals” beginning on page 255 of this Red Herring Prospectus.

**19. The average cost of acquisition of Equity shares by our Promoters is lower than the floor 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:

Name of the Promoters	No. of shares Held	Average cost of Acquisition (in. Rs.)
Mr. Anirvan Partha Ghose	6,99,992	1.25
Mr. Ramakrishnan Krishnaraju Manden Kattil	12,99,988	1.25

**20. Our Company, its Promoters, Directors and Group Entities are involved in certain legal proceeding(s). Any adverse decision in such proceeding(s) may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.**

**I. LITIGATION RELATING TO THE COMPANY**

**Case Pending with Tax Authorities:**

**Notice received from Office of the Superintendent of Central Excise, Palghar**

Our Company has received a notice dated March 14, 2017 from the Office of the Superintendent of Central Excise, Range I, Palghar (hereinafter referred as ‘Department’) for Wrong availment of Cenvat Credit of Rs. 0.39 Lakhs on various goods. The Department demanded to reverse the said wrongly availed Cenvat Credit along with interest and submit the debit particulars within 7 days from receipt of the Notice.

Our Company has replied to the notice of the Department vide a letter dated March 22, 2017, stating objections raised by the Department is not maintainable and Company has taken credit of Cenvat correctly as invoices raised were in respect of duty paid goods which was cleared on payment of Duty as free replacement during warranty period and taking credit on the basis of our own duty paid invoice is permissible under Central Excise Rules, 2002. The matter is still pending with the Department.

**Detail of Cases pending in Income Tax Department:**

A.Y.	Section	Outstanding Demand Amount (Rs. in Lakhs)	Pending with Jurisdiction
2007-08	143(1)	2.43	Assessing Officer
2009-10	154	1.55	Assessing Officer

**Details of outstanding demand in respect of TDS:**

A total demand of Rs. 0.80 lakhs payable by Our Company is outstanding in respect of TDS as on October 09, 2017 for various assessment years.

**II. LITIGATIONS RELATING TO THE PROMOTERS OF OUR COMPANY**

**Case Pending with Tax Authorities against Our Promoters**

**Detail of Cases pending in Income Tax Department:**

• **Mr. Anirvan Partha Ghose**

A.Y.	Section	Outstanding Demand Amount (Rs. In Lakhs)	Pending with Jurisdiction
2006-07	220(2)	0.01	CPC
2007-08	143(1)	0.07	Assessing Officer
2016-17	143(1)	3.98	CPC

• **Mr. Ramakrishnan Krishnaraju Manden Kattil**

A.Y.	Section	Outstanding Demand Amount (Rs. In Lakhs)	Pending with Jurisdiction
2007-08	143(1)	6.08	Assessing Officer
2008-09	143(1)	6.16	Assessing Officer
2010-11	143(1)(a)	1.69	Assessing Officer

For further details please refer to chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 248 of this Red Herring Prospectus.

**21. *Some of the Key Management Personnel are associated with the Company less than one year.***

Some of the Key Management Personnel i.e. Company Secretary & Compliance Officer and Chief Financial Officer is associated with the Company for a period of less than one year. For details of Key Management Personnel and their appointment, please refer to chapter “Our Management” beginning on page 130 of this Red Herring Prospectus

**22. *We are subject to stringent labour laws or other industry standards and any strike, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition and results of operations.***

Our manufacturing activities are labor-intensive. We also employ labour on contract basis apart from on our labour at our manufacturing facility. We are subject to a number of stringent labour laws that protect the interests of our workers, including legislation that stipulates rigorous procedures for dispute resolution and retrenchment of workers and imposes financial obligations on employers. While we have not experienced significant labour unrest in the past, strikes, lock-outs and other labour action, may have an adverse impact on our operations, and if not resolved in a timely manner, could lead to disruptions in our operations. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future and any such event could adversely affect our business, results of operation and financial condition

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of capital funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds could adversely affect our growth plans. We meet our capital requirements through our owned funds, internal accruals and debt. Any shortfall in our net owned funds, internal accruals and our inability to raise debt would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. For further details please refer to the chapter titled “Objects of the Issue” beginning on page 89 of this Red Herring Prospectus.

- 24. *Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 89, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 89 is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter “Objects of the Issue” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “Objects of the Issue” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

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

We have taken insurance which may not be adequate enough for covering the entire future unforeseen liabilities that might occur in the normal course of business. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time by the insurers. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected. For further details on insurance arrangements, see the section titled “Our Business – Insurance” on page 104 of this Prospectus.

- 26. *There are several restrictive covenants in the loan agreements, which could influence our ability to expand, in turn affecting our business and results of operations***

We currently avail credit facilities from Yes Bank Limited. We have entered into agreements for Overdraft Facility with our bankers / lenders and the covenants in borrowings from bank / lenders, among other things require us to obtain permissions in writing in respect of, including, but not limited to effecting any change in in the capital structure/ Shareholding pattern of the; and also opening of the current account with any other Bank. These covenants may have an adverse effect on the functioning of our Company. For further details on

restrictive covenants, please refer to the chapter titled “Our History and Certain Other Corporate Matters” beginning on page 127 of this Red Herring Prospectus.

**27. *Some of our group entities have incurred losses in previous financial years.***

Our Group Entities R and S (India) Electronics Private Limited, Linear Electronics Private Limited and Fiesta Entertainment Private Limited have incurred losses in the Financial Year 2014-15, 2015-16, 2016-17 whereas Elecom Fiesta Entertainment Private Limited has incurred loss in the Financial Year 2016-17 & 2015-16. There can be no assurance that our Group Entities will not incur losses in any future periods or that will not be an adverse effect on our reputation or business as a result of such losses. Sustained financial losses by our Group Entities may not be perceived positively by external parties such as customers, bankers, suppliers etc., which may affect our credibility and business operations. For further details regarding the performance of our Group Entities, please refer to Chapter titled “Our Group Entities” beginning on page 148 of this Red Herring Prospectus.

**28. *Some of our group entities have negative networth in previous financial years.***

Our Group Entities Fiesta Entertainment Private Limited and Elecom Fiesta Entertainment Private Limited have negative networth in Financial Year 2014-15, 2015-16 and 2016-17. There can be no assurance that this will not have an adverse effect on our reputation or business operations.

For further details regarding the performance of our Group Entities, please refer to Chapter titled “Our Group Entities” beginning on page 148 of this Red Herring Prospectus.

**29. *Any Penalty or demand raised by statutory authorities in future will affect our financial position of the Company.***

Our Company is engaged in business of manufacturing of Amplifiers, Speakers etc which attracts tax liability such as Excise duty, Value Added Tax, Service Tax, GST and Income Tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, ESIC, etc. Though, we have deposited the required returns and paid taxes thereon under various applicable Acts but any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

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

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. 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 prospects.

**31. *Our success depends largely upon the services of our Promoters and other Key Managerial Personnel and our ability to retain them. Our inability to attract and retain key managerial personnel may adversely affect the operations of our Company.***

Our success largely depends on the continued services and performance of our management and other key personnel. 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. Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to implement new projects and expand our business.

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

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

- 33. *Our Promoters and the members of our Promoters Group will continue to retain significant control in the Company after the Issue, which will enable them to influence the outcome of matters submitted to shareholders for approval. Our Promoters and the members of our Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.***

After completion of the Issue, our Promoters and the members of our Promoter Group will hold 73.37% of the equity shares capital of the Company and continue to retain a significant control of the Company. As a result, our Promoters and our Promoter Group will have the ability to control our business, including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company's best interest. In addition, for so long as our Promoters and the members of our Promoter Group continue to exercise significant control over the Company they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. Our Promoters and the members of our Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

## **II. Risk related to this Issue and our Equity Shares**

- 34. *Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.***

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

- 35. *Our ability to pay any dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.***

The amount of our future dividend payments, if any, will depend upon our Company's future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends.

## **B. EXTERNAL RISK FACTORS**

### **36. *Natural calamities and force majeure events may have an adverse impact on our business.***

Natural disasters may cause significant interruption to our operations, and damage to the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Prolonged spells of deficient or abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy, which could adversely affect our business and results of operations.

### **37. *Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.***

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. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

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

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

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

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

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

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such

as the Mumbai terrorist attacks and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months is not subject to capital gains tax in India if securities transaction tax ("STT") is paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax. Any change in tax provisions may significantly impact your return on investments.

Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. For further details, see the section titled "Statement of Tax Benefits" on page 96 of this Prospectus.

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



**PROMINENT NOTES**

- a) The Public Issue of 7,26,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. [●]/- per Equity Share aggregating Rs. [●] Lakhs (“the Issue”). Issue of Equity Shares will constitute 26.63% of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled “The Issue” on page 52 of this Red Herring Prospectus.
- b) The net worth and book value of our company as per restated financials is as under:

(Rs. In lakhs)

Sr. No.	Particulars	Financial Statement	As on March 31, 2017	As on March 31, 2016	As on March 31, 2015
1.	Net worth	Consolidated	382.91	248.89	218.78
		Standalone			
2.	Book Value	Consolidated	19.15	12.44	10.94
		Standalone			

- c) The average cost of acquisition of per Equity Shares by our Promoters, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Anirvan Partha Ghose	6,99,992	1.25
Mr. Ramakrishnan Krishnaraju Manden Kattil	12,99,988	1.25

- d) For details of Related Party Transactions entered into by our Company, please refer to the chapter titled “*Related Party Transactions*” beginning on page 156 of this Red Herring Prospectus.
- e) Except as disclosed in the chapter titled “*Capital Structure*”, “*Our Promoters and Promoter Group*” and “*Our Management*” beginning on pages 64, 143 and 130 respectively, of this Red Herring Prospectus, none of our Promoters, Directors or Key Management Personnel have any interest in our Company.
- f) Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 64 of this Red Herring Prospectus, we have not issued any Equity Shares for consideration other than cash.
- g) Investors may contact the BRLM or the Compliance Officer for any clarification / complaint or information relating to the Issue, which shall be made available by the BRLM and our Company to the investors at large. No selective or additional information will be available for a section of investors in any manner whatsoever. For contact details of the BRLM and the Compliance Officer, please refer to the chapter titled “*General Information*” beginning on page 53 of this Red Herring Prospectus.
- h) Investors are advised to refer to chapter titled “*Basis for Issue Price*” on page 94 of this Red Herring Prospectus.
- i) Trading and Allotment in Equity Shares for all investors shall be in dematerialized form only.
- j) There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Independent Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Red Herring Prospectus.

- k) Except as stated in the chapter titled “*Our Group Entities*” beginning on page 148 and chapter titled “Related Party Transactions” beginning on page 156 of this Red Herring Prospectus.
- l) Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “Issue Structure” beginning on page 277 of this Red Herring Prospectus.

## SECTION III- INTRODUCTION

### SUMMARY OF OUR INDUSTRY

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and other industry sources. Neither we nor any other person connected with this Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but 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.*

#### Overview of Indian Economy

India's diverse economy encompasses traditional village farming, modern agriculture, handicrafts, a wide range of modern industries, and a multitude of services. Slightly less than half of the work force is in agriculture, but services are the major source of economic growth, accounting for nearly two-thirds of India's output but employing less than one-third of its labor force. India has capitalized on its large educated English-speaking population to become a major exporter of information technology services, business outsourcing services, and software workers.

Thus, the country is attracting many global majors for strategic investments owing to the presence of vast range of industries, investment avenues and a supportive government. Huge population, mostly comprising the youth, is a strong driver for demand and an ample source of manpower.

With 1.33 billion people and the world's fourth-largest economy, India's recent growth and development has been one of the most significant achievements of our times. Over the six and half decades since independence, the country has brought about a landmark agricultural revolution that has transformed the nation from chronic dependence on grain imports into a global agricultural powerhouse that is now a net exporter of food. Life expectancy has more than doubled, literacy rates have quadrupled, health conditions have improved, and a sizeable middle class has emerged. India is now home to globally recognized companies in pharmaceuticals and steel and information and space technologies, and a growing voice on the international stage that is more in keeping with its enormous size and potential.

*(Source: IBEF)*

#### GDP and Other Indicators

According to the Economic Survey 2016-17, India's economic growth has been pegged at 6.5% for the current fiscal, down from 7.6% recorded in the last financial year, but is expected to rebound in the range of 6.75-7.5% in 2017-18.

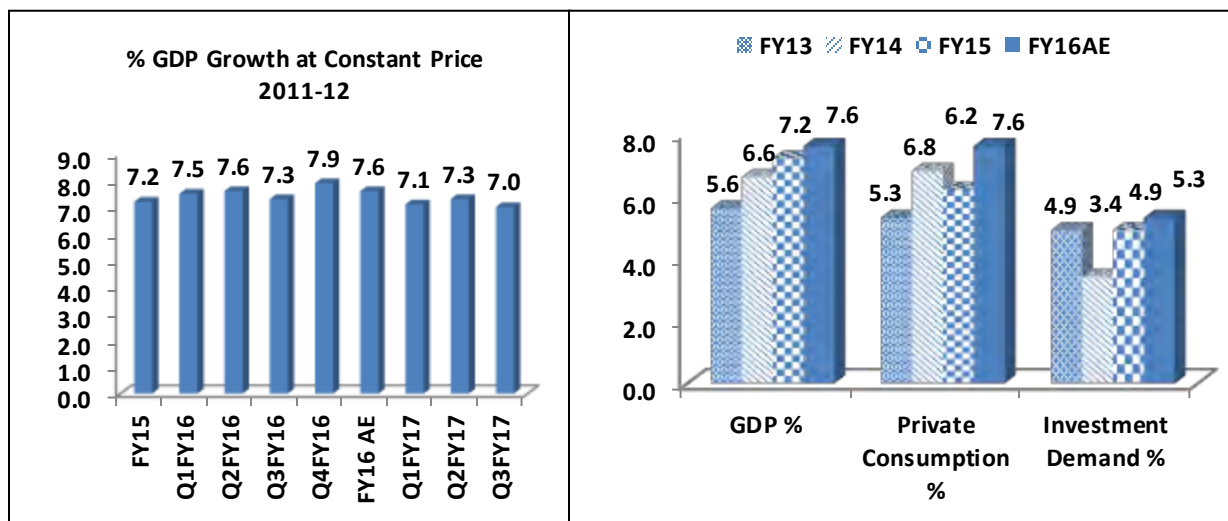
As per the Second Advance Estimate of National Income, 2016-17 released by Ministry of Statistics & Programme Implementation on February 27<sup>th</sup> 2017, Annual GDP at constant (2011-12) prices is expected to grow at the rate of 7.1% for financial 2016-17. Annual growth of Gross Value Added (GVA) at constant (2011-12) prices is estimated to be 6.7% in FY2016-17 compared to 7.8% in FY15-16.

The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2011-12) prices 2015-16 is Rs 113.5 trillion (US\$ 1.668 trillion), as against Rs 105.5 trillion (US\$ 1.55 trillion) in 2014-15, registering a growth rate of 7.6%.

Better than expected post demonetisation Indian GDP (at 2011-12 prices) revived to 7.0% in Q3FY17 as compared to 7.3% in the previous quarter and 7.1% in Q3FY16. Gross Value Added -GVA at basic prices at constant (2011-12) prices in Q3 FY17 has grown by 6.6% compared to 7.0% in Q3FY16 and by 6.7% compared to Q2FY17.

*Source: MOSPI*

[http://www.mospi.gov.in/sites/default/files/press\\_release/nad\\_pr\\_28feb17r.pdf](http://www.mospi.gov.in/sites/default/files/press_release/nad_pr_28feb17r.pdf)

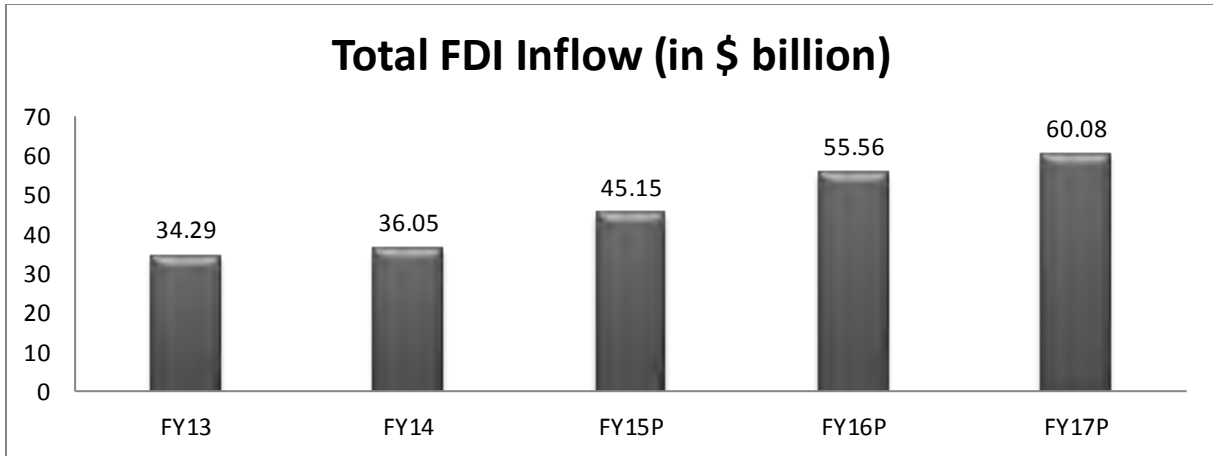


### Foreign Direct Investments

The inflow of Foreign Direct Investment (FDI) to India has jumped to \$60.08 billion in the last three years. According to a release by Ministry of Commerce and Industry, the FDI inflow to India in the financial year 2016-17 was \$60.08 billion, which was around \$5 billion more than the record \$55.56 billion recorded in 2015-16. In the financial year ending March 2015, India had received \$45.15 billion as FDI as against the \$36.05 billion received in 2013-14.

#### FDI trends in 2016-17

- Total FDI equity inflow received during 2016-17 is \$ 43.48 billion, which is an increase of 9% compared to 2015-16 (\$ 40.00 billion). This is the highest ever for a particular financial year.
- The FDI equity inflow received through approval route during 2016-17 was US\$ 5.90 billion, which is 65% higher than the previous year (\$ 3.57 billion).
- Manufacturing sectors witnessed 52% growth in comparison to 2015-16 (i.e. from \$ 13.35 billion to \$ 20.26 billion).
- Total FDI in flow grew by 8% to \$60.08 billion in 2016-17 in comparison to \$55.56 billion of the previous year. This is the highest ever FDI inflow for a particular financial year. Before this, the highest FDI inflow was reported in 2015-16.



Source: <https://www.cmie.com/kommon/bin/sr.php?kall=warticle&dt=2017-05-20%2014:49:32&msec=960>

[http://dipp.nic.in/sites/default/files/FDI\\_FactSheet\\_January\\_March2017.pdf](http://dipp.nic.in/sites/default/files/FDI_FactSheet_January_March2017.pdf)

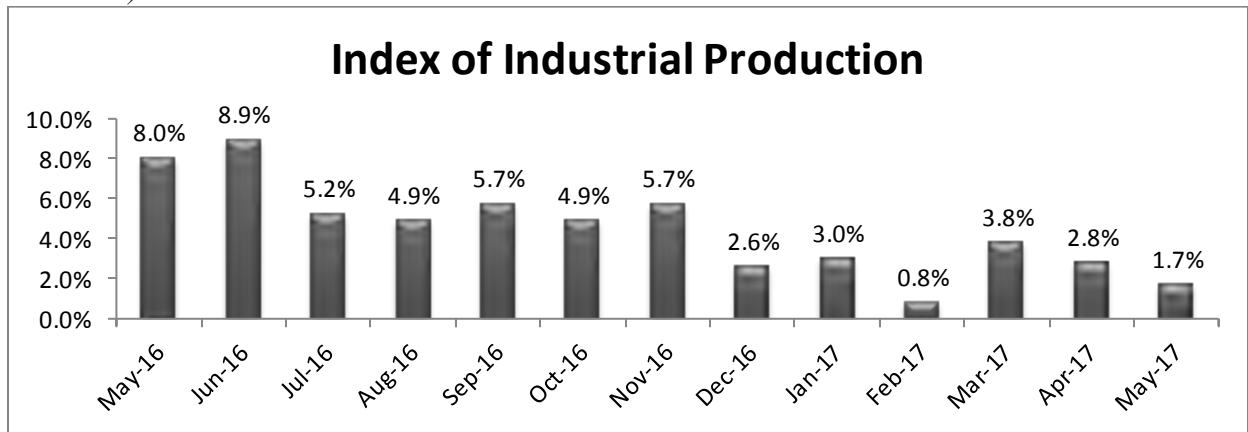
<http://www.financialexpress.com/economy/3-years-of-modi-rule-fdi-inflows-jump-to-60-billion-in-2016-17-from-36-billion-in-2013-14/676518/>

#### Index of Industrial Production

The IIP registered a growth of 2.7% in March 2017 over the index of March 2016. The growth of index of manufacturing, mining, and electricity was 1.2%, 9.7% and 6.2% respectively during the month.

Cumulatively, the IIP registered a growth of 5.0% during April to March, 2016 -17 over corresponding period of previous year. The index of Manufacturing, Mining and Electricity sector grew by 4.9%, 5.3% and 5.8% respectively during April to March, 2016 – 17 over corresponding period of previous year.

(Source: RBI)



#### Key Economic Variables

Particulars	FY13	FY14	FY15	FY16 RE	FY17 AE
GDP %	5.6	6.6	7.2	7.9	7.1
GVA Growth Rate (%)	5.4	6.3	7.1	7.8	6.7
Export Growth (%)	-1.8	4.7	-1.3	-5.4	4.7
Import Growth (%)	0.3	-8.3	-0.5	-5.9	-0.17
Inflation – WPI	7.4	6	2	-0.85	-
Inflation- CPI	10.2	9.5	5.9	4.9e	-

(Source: RBI)

## Global Economy

Stagnant global trade, subdued investment, and heightened policy uncertainty marked another difficult year for the world economy. Global growth in 2016 is estimated at a post-crisis low of 2.3% and is projected to rise to 2.7% in 2017. Growth in emerging market and developing economies (EMDEs) is expected to pick up in 2017.

EMDE growth is expected to accelerate to 4.2% in 2017 and to an average of 4.7% in 2018-19. EMDEs are forecast to contribute 1.6 percentage points to global growth in 2017, accounting for about 60% of global growth for the first time since 2013.

Growth in the United States slowed markedly, from 2.6% in 2015 to an estimated 1.6% in 2016, 0.3 percentage point below previous projections. The U.S. economy was held back in 2016 by soft exports, a continued drawdown in inventories, and a deceleration in private investment. In the run-up to the U.S. elections in November, activity had picked up again, and a further tightening of labor markets had led to slowly rising wage growth. This supported continued gains in real disposable income, which could help deliver a further reduction in poverty rates, following a drop in 2015.

Euro Area growth slowed from 2% in 2015 to 1.6% in 2016, as both domestic demand and exports lost momentum. Confidence in the Euro Area has been resilient following the United Kingdom's vote to exit the European Union (EU) in June 2016 (Figure 1.5). The U.S. election results could also heighten policy uncertainty in Europe. A rebound in oil prices, from their trough in early 2016, implies diminished support to real income and private consumption growth relative to the 2014-15 period.

Growth in China is estimated to have slightly decelerated to 6.7% in 2016. As part of ongoing economic rebalancing, growth has been concentrated primarily in services, while industrial production has stabilized at moderate levels. The internal rebalancing is also evident on the demand side: consumption growth has been strong, while investment growth has continued to moderate from the post-crisis peak.

Source World Bank

## Overview of Professional Audio Speaker Industry

India is home to one of the largest film industries in the world with annual production of 1,500 to 2,000 films in more than 20 languages. Globally, it ranks second in the number of footfalls at cinemas just behind China. In 2015, the Indian film industry clocked Rs. 13,800 crore (\$2.1 billion) in revenue and the industry is expected to grow at a CAGR of 11.5% to touch Rs. 23,800 crore (\$3.7 billion) by 2020, according to the report.

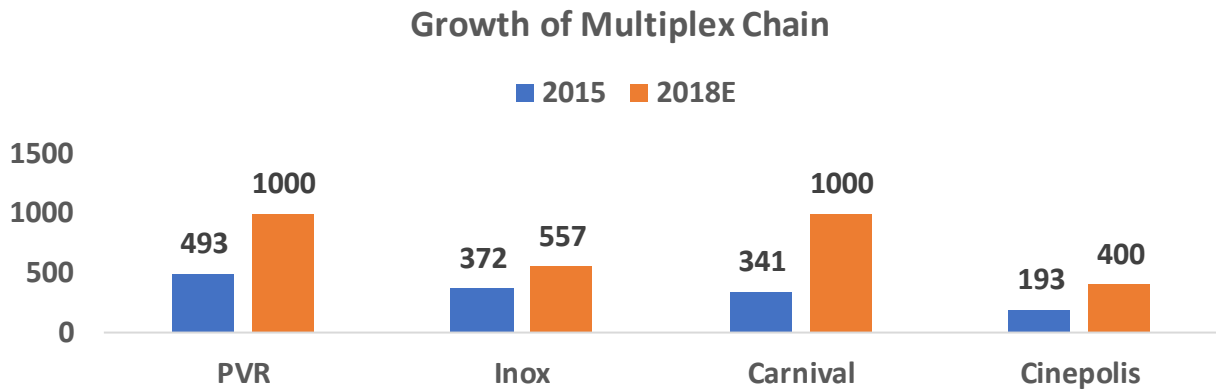
The multiplex industry has grown significantly over the last decade complemented by rise in per capita income, increasing discretionary spends and changing consumer preferences for an enhanced movie-watching experience. Increasing number of malls with multiplexes have also contributed to the shift from single screen theatres to multiplexes. As per ICRA estimates, India currently has around 8,200 film screens of which ~2,200 are multiplex screens and the rest consists of single screen theatres. Three states viz. Andhra Pradesh, Tamil Nadu and Kerala together account for half of the total single screens in India.

The multiplex industry has seen significant consolidation in recent years with seven major acquisitions valuing over Rs 2,500 crore since November 2012. This has led to considerable change in market dynamics with four major multiplex chains emerging as the prominent players. These four players, in order of their screen count as on September 2016, are PVR1 (557 screens), Inox2 (429 screens), Carnival Cinemas3 (324 screens) and Cinopolis4 (269 screens). They together contribute to more than 70% of total screen count of the Indian multiplex industry.

As per ICRA report, the number of multiplex screens to cross 3000 by 2019 backed by increasing penchant for movie watching, increasing acceptance of regional as well as Hollywood films and increasing number of retail malls especially in tier II and tier III cities which have started to witness development in recent years only. The share of single screens in overall screen base is likely to reduce with rapidly changing consumer preferences for better services, enhanced movie watching experience and comfort.

Source: ICRA report on Indian Multiplex Industry

Growth of Multiplex Chain



Source: <https://www.vccircle.com/india-movie-industry-revenue-touch-37-bn-2020-predicts-deloitte/>

#### Overview of the global speaker market

The global speaker market is anticipated to grow rapidly and will post a CAGR of close to 20% during the forecast period. According to the industry research report, the increasing preference for wireless streaming of audio content will drive the growth prospects for the global speaker market during the forecast period. One of the major factors responsible for the increasing sales of wireless speakers on a global level is the ability of speakers to stream audio content without wires easily. Moreover, wireless speakers do not use any wiring and consume less space when compared to home theater systems. It has been noted that these speakers also offer portability and come in various sizes and designs to suit consumer preference and requirements. Furthermore, a multitude of consumers are drawn to portable devices such as laptops, smartphones, tablets equipped with Wi-Fi and Bluetooth connectivity since these devices enable users to stream content wirelessly.

In terms of geography, the Americas accounted for the maximum market share during 2015 due to increased per capita income of the population in the US and South American countries. In addition, the growth of the market in the region is also heavily influenced by the rising adoption of wireless speakers. Moreover, countries such as Brazil and Mexico are witnessing an increasing demand for speakers due to the growing number of music streaming services. Also, the share of this segment is likely to decline during the forecast period as the market in the Americas, especially North America, is likely to reach the maturity stage between 2017-2018. However, since the region is the highest adopter of consumer electronics across the globe, it will continue to dominate the market.

<http://www.technavio.com/report/global-consumer-electronics-global-speaker-market-2016-2020>

## SECTION III – INTRODUCTION

### SUMMARY OF OUR BUSINESS

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

All financial information included herein is based on our “Financial information of the Company” included on page 158 of this Red Herring Prospectus.

#### OVERVIEW

Our Company was incorporated as Pulz Electronics Private Limited on July 25, 2005 with registrar of Companies, Kolkata, West Bengal as Private Limited Company under the provisions of the Companies Act, 1956 vide registration no. 104357 (CIN: U32109WB2005PTC104357) and a certificate of incorporation was issued by Registrar of Companies, Kolkata, West Bengal on July 25, 2005.

Our Company was converted into a public limited company and accordingly name of our Company was changed to Pulz Electronics Limited pursuant to a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on March 03, 2017. A fresh Certificate of Incorporation consequent upon conversion to public limited company was issued on March 22, 2017 issued by Registrar of Companies, West Bengal, Kolkata.

We develop and manufacture high quality audio system and solution that capitalize on the emergence of new Co-Axial technology and line array based speaker systems for the cinema, Pro Audio, Studio and Home Audio Industries such as Co-Axial Surround Speaker, Hi Power and in wall Subwoofers, Hi Power Co-Axial Speakers etc. We have a manufacturing facilities base built over 40,000 sq ft. in the outskirts of Mumbai at Palghar, along with a large warehousing facility which is well stocked with off-the-shelf pulz products which enables ultra-fast turnaround times for projects that require equipment at a shorter notice.

We have a wide array of products specifically designed to cater to object based and channel based futuristic immersive audio formats like Dolby Atmos, DTSX or Auro 3D. A dedicated team of highly skilled professional worker which work relentlessly towards innovation, product development, precision assembly and stringent quality control. The Research and Development team at Pulz have created numerous path-breaking advances in audio technologies of which few examples are Isotop, Isowave cinema system and Amplifiers with DPT (Dynamic Power Tracking).

Our Company is engaged in manufacturing of sound systems, which predominantly includes speakers and amplifiers, from where it generates its major revenues. It also imports from China and sell certain special types of amplifiers. Further it also undertakes annual maintenance contract for audio systems. In general manufacturing constitutes 70-75%, trading 15-20% and AMC 5-10% of total revenue from operations. Our Company operates in one Segment i.e “Audio Systems” since we manufacture & trade in audio systems and related items.

Our Engineering team carefully analyzes the venues for both sound and picture perfection and design solutions which meet international guidelines. From system configuration to installation to final optimum calibration, all stages, are monitored by our team. This total approach aims at providing the best possible audio visual experience and has been instrumental in establishing venues equipped with Pulz as places of reference.

Our Company does have a warranty policy wherein any manufacturing defect is either rectified or product replaced, generally within a period of 12 months from the date of dispatch, Further the company also enjoys warranty on components from its suppliers as back to back. Generally, in case of defect the company gets free replacement from suppliers.



Our Company also provides annual maintenance services to our customers for amplifiers and other equipments installed by us and we also trade in amplifiers, racks and other ancillary equipments. Below are the details of Audio Equipments manufactured by our Company:

Financial Year	Qty. Manufactured	Qty. Sold
2016-17	4,470	4,855
2015-16	4,747	4,360
2014-15	4,335	3,994
2013-14	3,076	3,133
2012-13	2,573	2,579

The Company has made below imports & export during the last five Financial Year which are as follows:

Sr. No.	Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1.	CIF Value of Import of material and components	356.71	352.26	421.10	457.80	155.82
2.	FOB Value of Exports	245.71	472.65	213.01	180.71	97.41

#### OUR COMPETITIVE STRENGTH

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:

##### **Promoters and Management**

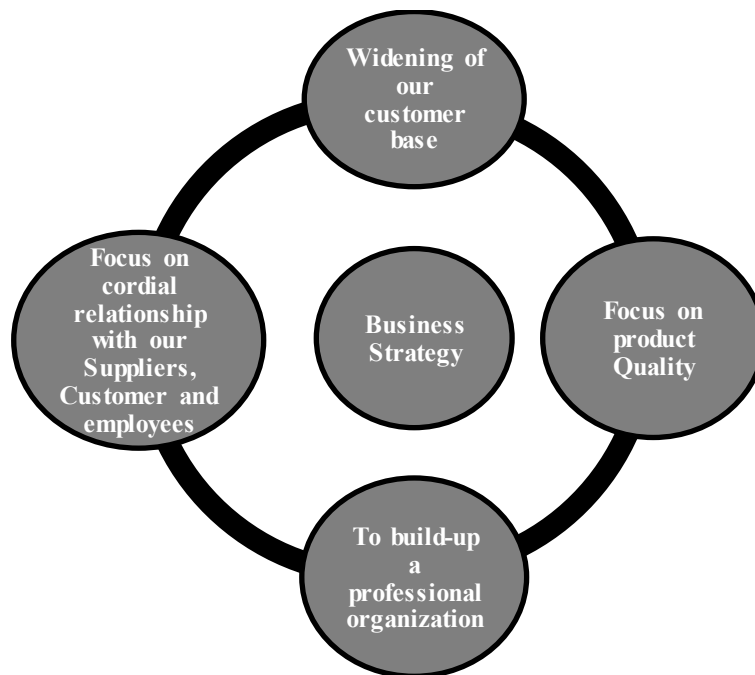
Our Company is promoted by Mr. Anirvan Partha Ghose and Mr. Ramkrishna Krishnaraju Manden Kattil. They have vast experience in the field of Designing and Manufacturing of Audio Equipment, amplifiers, speaker system and marketing of products. Our company is dedicated towards quality of our process and products which have helped us to have long term relations with our customer and has also facilitated us to entrench with new customer.

##### **Range of Product Offerings**

The Company has varieties of products namely Speakers, Amplifiers, Crossover Audio etc. We have wide array of products specifically designed to cater to object based futuristic immersive audio formats like Dolby Atmos, DTSX or Auro 3D.

##### **Quality Assurance and Standard**

We believe in providing our customers the best possible quality products. Since, our Company is dedicated towards quality products, processes and inputs; we get regular orders from our customers, as we are capable of meeting their quality standards. With OEMs from Germany, France, Italy and Spain, Pulz products strictly adhere to European standards of ruggedness, reliability, quality and performance.



**Further widening of our customer base**

With the growing opportunities available in the market, we will endeavour to continue to grow our business by adding new customers in existing and new geographies and also new market segments & products. We are also making efforts and diagnosing the domestic markets for our own brands product. With the widening of the customer base for our own Brand products we will leveraging our marketing skills and relationships and focusing on total customer orientation.

**Focus on product Quality**

We believe in creating value for our customers be it in terms of quality or pricing. Quality is of primary importance and our focus is on improving the quality of our products through Research and Development.

**To build-up a professional organization**

We believe in transparency, commitment and coordination in our work, with our suppliers, customers, government authorities, banks etc. We have a blend of the experience and the sufficient staff for taking care of our day to day operations. We wish to make it more sound and strong in times to come.

**Focus on cordial relationship with our Suppliers, Customer and employees**

We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets.

**OUR CUSTOMER BASE INCLUDES SOME MAJOR NAMES AS FOLLOWS:**

For Cinline Products	For Proline Products
<ul style="list-style-type: none"> <li>• PVR Cinema</li> <li>• UFO Digital Cinema</li> <li>• Cinemax</li> <li>• Fun Cinemas</li> <li>• Disney UTV</li> </ul>	<ul style="list-style-type: none"> <li>• Indian Army</li> <li>• Indian Navy</li> <li>• The Lalit</li> <li>• Airports Authority of India</li> <li>• Stained Glass</li> </ul>

<ul style="list-style-type: none"> <li>• Inox</li> <li>• Zee Tv</li> <li>• Big Cinemas</li> <li>• Carnival Cinemas</li> <li>• SRS Cinema</li> </ul>	<ul style="list-style-type: none"> <li>• Defence Institute of Advanced Technology</li> <li>• NHPC</li> <li>• Relaince Anil Dhirubhai Ambani Group</li> <li>• Iskon</li> <li>• Hinduja Group</li> </ul>
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**Below are the details of our Top 5 clients in F.Y 2016-17:**

(Rs. in Lakhs)

Sr. No.	Name of Client	Amount	% of Sales
1.	R&S (India) Electronics Pvt. Ltd	201.96	14.36
2.	Miraj Entertainment Limited	134.08	9.53
3.	Reel Entertainment Holdings Sdn Bhd	93.55	6.65
4.	PVR Ltd.	75.81	5.39
5.	Speciality Restaurant Ltd.	48.10	3.42

**SUMMARY OF FINANCIAL STATEMENTS**

**STANDALONE FINANCIAL INFORMATION AS RESTATED**

**RESTATED SUMMARY STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

**(Rs. in Lakhs)**

Particulars	Note No.	As at June 30,	As at March 31,					
		2017	2017	2016	2015	2014	2013	
<b>I Equity and Liabilities</b>								
<b>1 Shareholders' Funds</b>								
(a) Share Capital	<b>L1</b>	200.00	200.00	50.00	50.00	50.00	50.00	
(b) Reserves & Surplus	<b>L2</b>	223.29	182.91	198.89	168.78	145.41	134.96	
		<b>423.29</b>	<b>382.91</b>	<b>248.89</b>	<b>218.78</b>	<b>195.41</b>	<b>184.96</b>	
<b>3 Non-Current Liabilities</b>								
(a) Long-term borrowings	<b>L3</b>	7.06	7.81	10.64	-	101.28	5.10	
(b) Deferred Tax Liabilities (Net)	<b>L4</b>	5.81	7.27	5.43	8.07	-	-	
(c) Long Term Provisions	<b>L5</b>	10.73	10.73	8.30	-	-	-	
(d) Other Long Term Liabilities	<b>L6</b>	194.88	194.88	192.44	184.14	181.08	167.68	
		<b>207.75</b>	<b>209.96</b>	<b>208.51</b>	<b>192.21</b>	<b>282.37</b>	<b>172.78</b>	
<b>4 Current Liabilities</b>								
(a) Short Term Borrowings	<b>L7</b>	147.08	143.41	159.09	154.91	118.01	6.37	
(b) Trade Payables	<b>L8</b>	111.91	135.08	81.33	80.98	172.90	22.30	
(c) Other current Liabilities	<b>L9</b>	160.37	194.76	182.04	266.43	131.24	94.56	
(d) Short Term Provisions	<b>L10</b>	110.75	82.12	16.71	24.85	12.42	6.39	
		<b>530.12</b>	<b>555.28</b>	<b>439.17</b>	<b>527.16</b>	<b>434.57</b>	<b>129.61</b>	
<b>Total</b>		<b>1,161.16</b>	<b>1,148.25</b>	<b>896.56</b>	<b>938.16</b>	<b>912.35</b>	<b>487.35</b>	
<b>II Assets</b>								
<b>1 Non-Current Assets</b>								
(a) Fixed Assets								
(i) Tangible Assets	<b>L11</b>	285.27	283.82	294.56	283.29	256.12	104.74	
(ii) Capital Work-in-Progress	<b>L11</b>	6.42	6.42	4.00	4.00	3.93	1.77	
(b) Deferred Tax Assets (Net)	<b>L4</b>	-	-	-	-	1.43	1.71	
(c) Non-Current Investments		1.25	0.25	0.25	0.25	0.25	0.25	
(d) Other Non-Current Assets	<b>L13</b>	1.15	1.06	1.06	2.98	3.04	16.03	
		<b>294.10</b>	<b>291.55</b>	<b>299.86</b>	<b>290.52</b>	<b>264.77</b>	<b>124.50</b>	
<b>2 Current Assets</b>								
(a) Inventories	<b>L14</b>	506.68	445.93	380.00	454.34	461.39	277.88	
(b) Trade Receivables	<b>L15</b>	219.73	311.03	101.06	68.98	34.92	29.51	
(c) Cash and Cash Equivalents	<b>L16</b>	41.90	6.30	4.73	0.08	1.74	8.26	
(d) Short-term loans and advances	<b>L12</b>	98.75	93.46	110.91	124.25	149.54	47.21	
(e) Other Current Assets	<b>L17</b>	-	-	-	-	-	-	
		<b>867.06</b>	<b>856.70</b>	<b>596.70</b>	<b>647.64</b>	<b>647.58</b>	<b>362.85</b>	
<b>Total</b>		<b>1,161.16</b>	<b>1,148.25</b>	<b>896.56</b>	<b>938.16</b>	<b>912.35</b>	<b>487.35</b>	

**RESTATED SUMMARY STANDALONE STATEMENT OF PROFIT AND LOSS**
**(Rs. in Lakhs)**

Particulars	Notes No.	For Period Ended June 30,	For the year Ended March 31,					
		2017	2017	2016	2015	2014	2013	
<b>I Revenue:</b>								
Revenue from Operations	<b>II.1</b>	375.56	1,376.58	1,298.42	1,177.46	920.15	527.93	
Other income	<b>II.2</b>	10.64	8.40	8.61	13.08	5.60	2.33	
<b>Total revenue</b>		<b>386.20</b>	<b>1,384.98</b>	<b>1,307.03</b>	<b>1,190.54</b>	<b>925.75</b>	<b>530.26</b>	
<b>II Expenses:</b>								
Cost of Material Consumed	<b>II.3</b>	76.42	313.02	560.42	517.21	369.12	200.69	
Purchase of stock-in-trade	<b>II.4</b>	99.46	170.10	136.11	139.80	155.39	47.88	
Manufacturing Expense	<b>II.5</b>	5.78	20.29	22.86	22.82	27.38	25.61	
Change in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade	<b>II.6</b>	(31.10)	27.92	2.57	(19.69)	(53.81)	18.58	
Employee benefit expenses	<b>II.7</b>	85.67	280.30	257.93	235.70	174.95	106.22	
Finance costs	<b>II.8</b>	6.52	19.01	20.72	23.13	18.66	2.36	
Depreciation and amortization expense	<b>I.10</b>	4.85	18.62	20.15	19.36	16.74	8.13	
Other expenses	<b>II.9</b>	84.69	322.18	250.41	235.40	200.64	90.62	
<b>Total Expenses</b>		<b>332.29</b>	<b>1,171.49</b>	<b>1,271.17</b>	<b>1,173.74</b>	<b>909.07</b>	<b>500.10</b>	
<b>III Profit/(loss) before exceptional, extraordinary items &amp; tax (I-II)</b>		<b>53.91</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>	
<b>IV Exceptional Items</b>		-	-	-	-	-	-	
<b>V Profit/(loss) before extraordinary items &amp; tax (III-IV)</b>		<b>53.91</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>	
<b>VI Extra-ordinary Items</b>		-	-	-	-	-	-	
<b>VII Profit/(loss) before tax (V-VI)</b>		<b>53.91</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>	
<b>VIII Tax expense:</b>								
(i) Current tax		15.00	76.85	8.40	6.40	5.95	9.90	
(ii) Earlier year tax		(0.01)	0.77	-	-	-	-	
(iii) Deferred Tax		(1.46)	1.84	(2.64)	9.50	0.28	(0.51)	
<b>IX Profit/(loss) For the year (VII-VIII)</b>		<b>40.38</b>	<b>134.03</b>	<b>30.10</b>	<b>0.90</b>	<b>10.45</b>	<b>20.78</b>	

<b>X</b>	<b>Earning per equity share in Rs.:</b>							
	(1) Basic		<b>2.02</b>	<b>6.70</b>	<b>1.51</b>	<b>0.05</b>	<b>0.52</b>	<b>1.04</b>
	(2) Diluted		<b>2.02</b>	<b>6.70</b>	<b>1.51</b>	<b>0.05</b>	<b>0.52</b>	<b>1.04</b>

**RESTATED SUMMARY STANDALONE STATEMENT OF CASH FLOWS**
**(Rs. in Lakhs)**

Particulars		As at	As at March 31,				
		June 30, 2017	2017	2016	2015	2014	2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>							
<b>Profit/ (Loss) before tax</b>		<b>53.91</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>
Adjustments for:							
Depreciation & amortization		4.85	18.62	20.15	19.36	16.74	8.13
Interest Expense		6.52	19.01	20.72	23.13	18.66	2.36
Loss on sale of Fixed Assets		-	-	-	0.23	-	-
Profit on sale of Fixed Assets		-	-	(0.50)	-	-	-
<b>Operating profit before working capital changes</b>		<b>65.28</b>	<b>251.12</b>	<b>76.23</b>	<b>59.52</b>	<b>52.08</b>	<b>40.66</b>
Movements in working capital:							
(Increase)/ Decrease in Inventories		(60.75)	(65.93)	74.34	7.05	(183.51)	(1.13)
(Increase)/Decrease in Trade Receivables		91.30	(209.97)	(32.08)	(34.06)	(5.41)	0.61
(Increase)/Decrease in Short term loans & advances		(5.30)	17.47	13.33	25.29	(102.33)	(30.09)
Increase/(Decrease) in Trade payables		(23.17)	53.75	0.35	(91.93)	150.60	(4.91)
Increase/(Decrease) in Other Current Liabilities		(34.39)	12.72	(84.38)	135.18	36.69	5.62
Increase/(Decrease) in Short term provisions		28.63	65.41	(8.14)	12.43	6.03	1.48
Change in long term Provisions		-	2.44	8.30	-	-	-
Change in Other long-term liabilities		-	-	-	3.06	13.40	3.84
<b>Cash generated from operations</b>		<b>61.60</b>	<b>127.00</b>	<b>47.95</b>	<b>116.55</b>	<b>(32.45)</b>	<b>16.08</b>
Income tax Refund/ (paid) during the year		14.99	77.62	8.40	6.40	5.95	9.90
<b>Net cash from operating activities</b>	<b>A</b>	<b>46.60</b>	<b>49.39</b>	<b>39.55</b>	<b>110.15</b>	<b>(38.40)</b>	<b>6.18</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>							
Sale/(Purchase) of Non- current assets		(6.30)	(10.30)	(30.91)	(24.35)	(170.28)	5.35
Change in Non-Current Assets		(0.10)	-	1.92	0.06	12.99	(3.72)
<b>Net cash from investing activities (B)</b>	<b>B</b>	<b>(7.40)</b>	<b>(10.30)</b>	<b>(28.99)</b>	<b>(24.30)</b>	<b>(157.29)</b>	<b>1.63</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>							
Proceeds/(Redemption)of Capital		-	-	-	-	-	-
Interest paid on borrowings		(6.52)	(19.01)	(20.72)	(23.13)	(18.66)	(2.36)
Proceeds/(Repayment) of Long Term Borrowings		(0.75)	(2.83)	10.64	(101.28)	96.18	(3.42)
Proceeds/ (Repayment) of Short Term Borrowings		3.67	(15.68)	4.18	36.90	111.64	-
<b>Net cash from financing activities (C)</b>	<b>C</b>	<b>(3.60)</b>	<b>(37.51)</b>	<b>(5.91)</b>	<b>(87.51)</b>	<b>189.16</b>	<b>(5.79)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>D</b>	<b>35.61</b>	<b>1.57</b>	<b>4.65</b>	<b>(1.66)</b>	<b>(6.52)</b>	<b>2.02</b>
<b>Cash and cash equivalents at the</b>		<b>6.30</b>	<b>4.73</b>	<b>0.08</b>	<b>1.74</b>	<b>8.26</b>	<b>6.24</b>

<b>beginning of the year</b>							
<b>Cash and cash equivalents at the end of the year</b>		<b>41.90</b>	<b>6.30</b>	<b>4.73</b>	<b>0.08</b>	<b>1.74</b>	<b>8.26</b>



CONSOLIDATED FINANCIAL STATEMENT AS RESTATED

RESTATED SUMMARY CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Particulars	Note No.	As at June 30, 2017	As at March 31,					
			2017	2016	2015	2014	2013	
<b>I Equity and Liabilities</b>								
<b>1 Shareholders' Funds</b>								
(a) Share Capital	<b>I.1</b>	200.00	200.00	50.00	50.00	50.00	50.00	50.00
(b) Reserves & Surplus	<b>I.2</b>	223.06	182.91	198.89	168.78	145.41	134.96	
		<b>423.06</b>	<b>382.91</b>	<b>248.89</b>	<b>218.78</b>	<b>195.41</b>	<b>184.96</b>	
<b>3 Non-Current Liabilities</b>								
(a) Long-term borrowings	<b>I.3</b>	7.06	7.81	10.64	-	101.28	5.10	
(b) Deferred Tax Liabilities (Net)	<b>I.4</b>	5.81	7.27	5.43	8.07	-	-	
(c) Long Term Provisions	<b>I.5</b>	10.73	10.73	8.30	-	-	-	
(d) Other Long Term Liabilities	<b>I.6</b>	194.88	194.88	192.44	184.14	181.08	167.68	
		<b>207.75</b>	<b>209.96</b>	<b>208.51</b>	<b>192.21</b>	<b>282.37</b>	<b>172.78</b>	
<b>4 Current Liabilities</b>								
(a) Short Term Borrowings	<b>I.7</b>	147.08	143.41	159.09	154.91	118.01	6.37	
(b) Trade Payables	<b>I.8</b>	111.91	135.08	81.33	80.98	172.90	22.30	
(c) Other current Liabilities	<b>I.9</b>	160.37	194.76	182.04	266.43	131.24	94.56	
(d) Short Term Provisions	<b>I.10</b>	110.75	82.12	16.71	24.85	12.42	6.39	
		<b>530.12</b>	<b>555.28</b>	<b>439.17</b>	<b>527.16</b>	<b>434.57</b>	<b>129.61</b>	
<b>Total</b>		<b>1160.92</b>	<b>1,148.25</b>	<b>896.56</b>	<b>938.16</b>	<b>912.35</b>	<b>487.35</b>	
<b>II Assets</b>								
<b>1 Non-Current Assets</b>								
(a) Fixed Assets								
(i) Tangible Assets	<b>I.11</b>	285.27	283.82	294.56	283.29	256.12	104.74	
(ii) Capital Work-in-Progress	<b>I.11</b>	6.42	6.42	4.00	4.00	3.93	1.77	
(b) Deferred Tax Assets (Net)	<b>I.4</b>	-	-	-	-	1.43	1.71	
(c) Non-Current Investments		0.25	0.25	0.25	0.25	0.25	0.25	
(d) Other Non-Current Assets	<b>I.13</b>	1.15	1.06	1.06	2.98	3.04	16.03	
		<b>293.10</b>	<b>291.55</b>	<b>299.86</b>	<b>290.52</b>	<b>264.77</b>	<b>124.50</b>	
<b>2 Current Assets</b>								
(a) Inventories	<b>I.14</b>	506.68	445.93	380.00	454.34	461.39	277.88	
(b) Trade Receivables	<b>I.15</b>	219.73	311.03	101.06	68.98	34.92	29.51	
(c) Cash and Cash Equivalents	<b>I.16</b>	42.66	6.30	4.73	0.08	1.74	8.26	
(d) Short-term loans and advances	<b>I.12</b>	98.75	93.46	110.91	124.25	149.54	47.21	
(e) Other Current Assets	<b>I.17</b>	-	-	-	-	-	-	
		<b>867.82</b>	<b>856.70</b>	<b>596.70</b>	<b>647.64</b>	<b>647.58</b>	<b>362.85</b>	
<b>Total</b>		<b>1160.92</b>	<b>1,148.25</b>	<b>896.56</b>	<b>938.16</b>	<b>912.35</b>	<b>487.35</b>	

**RESTATED SUMMARY CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

(Rs. in Lakhs)

Particulars	Notes No.	For Period	For the year Ended March 31,					
		Ended June 30,	2017	2017	2016	2015	2014	2013
<b>I Revenue:</b>								
Revenue from Operations	<b>II.1</b>	375.56	1,376.58	1,298.42	1,177.46	920.15	527.93	
Other income	<b>II.2</b>	10.64	8.40	8.61	13.08	5.60	2.33	
<b>Total revenue</b>		<b>386.20</b>	<b>1,384.98</b>	<b>1,307.03</b>	<b>1,190.54</b>	<b>925.75</b>	<b>530.26</b>	
<b>II Expenses:</b>								
Cost of Material Consumed	<b>II.3</b>	76.42	313.02	560.42	517.21	369.12	200.69	
Purchase of stock-in-trade	<b>II.4</b>	99.46	170.10	136.11	139.80	155.39	47.88	
Manufacturing Expense	<b>II.5</b>	5.78	20.29	22.86	22.82	27.38	25.61	
Change in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade	<b>II.6</b>	(31.10)	27.92	2.57	(19.69)	(53.81)	18.58	
Employee benefit expenses	<b>II.7</b>	85.67	280.30	257.93	235.70	174.95	106.22	
Finance costs	<b>II.8</b>	6.52	19.01	20.72	23.13	18.66	2.36	
Depreciation and amortization expense	<b>II.10</b>	4.85	18.62	20.15	19.36	16.74	8.13	
Other expenses	<b>II.9</b>	84.92	322.18	250.41	235.40	200.64	90.62	
<b>Total Expenses</b>		<b>332.52</b>	<b>1,171.49</b>	<b>1,271.17</b>	<b>1,173.74</b>	<b>909.07</b>	<b>500.10</b>	
<b>III Profit/(loss) before exceptional, extraordinary items &amp; tax (I-II)</b>		<b>53.68</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>	
<b>IV Exceptional Items</b>		-	-	-	-	-	-	
<b>V Profit/(loss) before extraordinary items &amp; tax (III-IV)</b>		<b>53.68</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>	
<b>VI Extra-ordinary Items</b>		-	-	-	-	-	-	
<b>VII Profit/(loss) before tax (V-VI)</b>		<b>53.68</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>	
<b>VIII Tax expense:</b>								
(i) Current tax		15.00	76.85	8.40	6.40	5.95	9.90	
(ii) Earlier year tax		(0.01)	0.77	-	-	-	-	
(iii) Deferred Tax		(1.46)	1.84	(2.64)	9.50	0.28	(0.51)	
<b>IX Profit/(loss) For the year (VII-VIII)</b>		<b>40.14</b>	<b>134.03</b>	<b>30.10</b>	<b>0.90</b>	<b>10.45</b>	<b>20.78</b>	
<b>X Earning per equity share in Rs.:</b>								
(1) Basic		<b>2.01</b>	<b>6.70</b>	<b>1.51</b>	<b>0.05</b>	<b>0.52</b>	<b>1.04</b>	
(2) Diluted		<b>2.01</b>	<b>6.70</b>	<b>1.51</b>	<b>0.05</b>	<b>0.52</b>	<b>1.04</b>	

**RESTATED SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS**
**(Rs. in Lakhs)**

Particulars		As at June 30,	As at March 31,				
		2017	2017	2016	2015	2014	2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>							
<b>Profit/ (Loss) before tax</b>		<b>53.68</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>
Adjustments for:							
Depreciation & amortization		4.85	18.62	20.15	19.36	16.74	8.13
Interest Expense		6.52	19.01	20.72	23.13	18.66	2.36
Loss on sale of Fixed Assets		-	-	-	0.23	-	-
Profit on sale of Fixed Assets		-	-	(0.50)	-	-	-
<b>Operating profit before working capital changes</b>		<b>65.05</b>	<b>251.12</b>	<b>76.23</b>	<b>59.52</b>	<b>52.08</b>	<b>40.66</b>
Movements in working capital:							
(Increase)/ Decrease in Inventories		(60.75)	(65.93)	74.34	7.05	(183.51)	(1.13)
(Increase)/Decrease in Trade Receivables		91.30	(209.97)	(32.08)	(34.06)	(5.41)	0.61
(Increase)/Decrease in Short term loans & advances		(5.30)	17.47	13.33	25.29	(102.33)	(30.09)
Increase/(Decrease) in Trade payables		(23.17)	53.75	0.35	(91.93)	150.60	(4.91)
Increase/(Decrease) in Other Current Liabilities		(34.39)	12.72	(84.38)	135.18	36.69	5.62
Increase/(Decrease) in Short term provisions		28.63	65.41	(8.14)	12.43	6.03	1.48
Change in long term Provisions		-	-	-	-	-	-
Change in Other long-term liabilities		-	2.44	8.30	3.06	13.40	3.84
<b>Cash generated from operations</b>		<b>61.36</b>	<b>127.00</b>	<b>47.95</b>	<b>116.55</b>	<b>(32.45)</b>	<b>16.08</b>
Income tax Refund/ (paid) during the year		15.00	77.61	8.40	6.40	5.95	9.90
<b>Net cash from operating activities</b>	<b>A</b>	<b>46.36</b>	<b>49.39</b>	<b>39.80</b>	<b>110.15</b>	<b>(38.40)</b>	<b>6.18</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>							
Sale/(Purchase) of Non- current assets		(6.30)	(10.30)	(31.16)	(24.35)	(170.28)	5.35
Change in Non-Current Assets		(0.10)	-	1.92	0.06	12.99	(3.72)
<b>Net cash from investing activities (B)</b>	<b>B</b>	<b>(6.40)</b>	<b>(10.30)</b>	<b>(28.99)</b>	<b>(24.30)</b>	<b>(157.29)</b>	<b>1.63</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>							
Proceeds/(Redemption)of Capital		-	-	-	-	-	-
Interest paid on borrowings		(6.52)	(19.01)	(20.72)	(23.13)	(18.66)	(2.36)
Proceeds/(Repayment) of Long Term Borrowings		(0.75)	(2.83)	10.64	(101.28)	96.18	(3.42)
Proceeds/ (Repayment) of Short Term Borrowings		3.67	(15.68)	4.18	36.90	111.64	-
<b>Net cash from financing activities (C)</b>	<b>C</b>	<b>(3.60)</b>	<b>(37.51)</b>	<b>(5.91)</b>	<b>(87.51)</b>	<b>189.16</b>	<b>(5.79)</b>
<b>Net increase in cash and cash</b>	<b>D</b>	<b>36.36</b>	<b>1.57</b>	<b>4.65</b>	<b>(1.66)</b>	<b>(6.52)</b>	<b>2.02</b>

<b>equivalents (A+B+C)</b>							
<b>Cash and cash equivalents at the beginning of the year</b>		<b>6.30</b>	<b>4.73</b>	<b>0.08</b>	<b>1.74</b>	<b>8.26</b>	<b>6.24</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>42.66</b>	<b>6.30</b>	<b>4.73</b>	<b>0.08</b>	<b>1.74</b>	<b>8.26</b>

## THE ISSUE

Particulars	Number of Equity Shares
Equity Shares Offered	7,26,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. [●]/- per Equity Share aggregating Rs. [●]lakhs.
Fresh Issue Consisting of	
Issue Reserved for Market Makers	38,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. [●]/- per Equity Share aggregating Rs. [●]lakhs.
Net Issue to the Public	6,88,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. [●] per Equity Share aggregating Rs. [●]lakhs.
	of which:
	3,44,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. [●]/- per Equity Share will be available for allocation to investors up to Rs. 2.00 Lakhs
	3,44,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. [●]/- per Equity Share will be available for allocation to investors above Rs. 2.00 Lakhs
Equity Shares outstanding prior to the Issue	20,00,000 Equity Shares
Equity Shares outstanding after the Issue	27,26,000 Equity Shares
Objects of the Issue	See the chapter titled “Objects of the Issue” on page 89 of this Red Herring Prospectus.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations as amended from time to time. The allocation in the net issue to public category shall be made as follows:

- (a) Minimum fifty percent to retail individual investors; and
- (b) Remaining to:
  - (i) Individual bidder other than retail individual investors; and
  - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- (c) The unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to bidders in the other category.

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

For further details, please refer to chapter titled “Issue Structure” beginning on page 277 of this Red Herring Prospectus.

## GENERAL INFORMATION

Our Company was incorporated as Pulz Electronics Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated July 25, 2005 in Kolkata, West Bengal. Subsequently, our Company was converted into public limited company pursuant to which the name of our Company was changed to “Pulz Electronics Limited” vide shareholder’s approval on March 03, 2017 and fresh certificate of incorporation was issued on March 22, 2017.

For further details please refer to chapter titled ‘Our History and Certain Other Corporate Matters’ beginning on page 127 of this Red Herring Prospectus.

### REGISTERED OFFICE OF OUR COMPANY

#### PULZ ELECTRONICS LIMITED

46 Satish Mukherjee Road,  
Kolkata- 700026, West Bengal, India.

**Tel:** +91 33 24196738

**Email:** [kolkata@pulz.co.in](mailto:kolkata@pulz.co.in)

**Website:** [www.pulz.biz](http://www.pulz.biz)

[www.pulz.co.in](http://www.pulz.co.in)

**Registration Number:** 104357

**Corporate Identification Number:** U32109WB2005PLC104357

### CORPORATE OFFICE OF OUR COMPANY

#### PULZ ELECTRONICS LIMITED

Kailashpati, 2<sup>nd</sup> Floor, Plot No. 10A,  
Veera Desai Road, Andheri (West),  
Mumbai-400053, Maharashtra, India

**Tel:** +91 22 26732593

**Email:** [mumbai@pulz.co.in](mailto:mumbai@pulz.co.in)

**Fax:** +91 22 26732594

### REGISTRAR OF COMPANIES

#### REGISTRAR OF COMPANIES, WEST BENGAL, KOLKATA

Nizam Palace, 2<sup>nd</sup> MSO Building  
2<sup>nd</sup> Floor, 234/4, A.J.C.B. Road  
Kolkata-700020, West Bengal, India.

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### DESIGNATED STOCK EXCHANGE

#### NATIONAL STOCK EXCHANGE OF INDIA LTD (EMERGE PLATFORM)

Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E)  
Mumbai - 400051

For details in relation to the changes to the name of our Company, please refer to the chapter titled, “ *Our History and Certain Other Corporate Matters* ” beginning on page 127of this Red Herring Prospectus.

#### BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1.	Mr. Anirvan Partha Ghose	43	00188496	C-304-305, Meghdoot, Lokhandwala Back Road, Opp Joggers Park, Andheri (West) Mumbai 400053.	Managing Director
2.	Mr. Ramakrishnan Krishnaraju Manden Kattil	69	00194891	5, Loge Bonheur, MMC Cross Road No.1,Mahim – (West) Mumbai-400016.	Executive Director
3.	Mrs. Rumeeta Anirvan Ghose	41	02885906	C-304-305, Meghdoot, Lokhandwala Back Road, Opp Joggers Park, Andheri West Mumbai - 400053.	Non-Executive Director
4.	Mr. Naresh Kumar Gaiind	70	07776333	A-401/402/403 Meghdoot CHS. LTD. Lokhandwala, Andheri (West), Mumbai-400053	Independent & Non-Executive Director
5.	Mr. Nikhil Sunil Arya	27	06972069	008, D-Wing, Ashtavinayak Park, Behind Dr. Prema Maternity Hospital, Badlapur Goan Road, Badlapur – 421503, Maharashtra	Independent & Non-Executive Director

For further details of our Directors, please refer to the chapter titled “Our Management” beginning on page 130of this Red Herring Prospectus.

#### COMPANY SECRETARY AND COMPLIANCE OFFICER

**HETALI HARISH MEHTA**

**PULZ ELECTRONICS LIMITED**

Kailashpati, 2<sup>nd</sup> Floor, Plot No. 10A,

Veera Desai Road, Andheri (West),

Mumbai-400053, Maharashtra, India

**Tel:** +91 22 26732593

**Fax:** +91 22 26732594

**Email:** hetali@pulz.co.in

**Investors may contact the Compliance Officer and/ or the Registrar to the Issue and/ or the BRLM to the Issue in case of any Pre-Issue or Post- Issue related matter such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.**

**All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the concerned SCSB, giving full details such as name, address of the bidder, number of Equity Shares applied for,**

amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

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

#### CHIEF FINANCIAL OFFICER

**MIHIR BHARAT DOSHI**

**PULZ ELECTRONICS LIMITED**

Kailashpati, 2<sup>nd</sup> Floor, Plot No. 10A,  
Veera Desai Road, Andheri (West),  
Mumbai-400053, Maharashtra, India

**Tel:** +91 22 26732593

**Fax:** +91 22 26732594

**Email:** mihir@pulz.co.in

#### STATUTORY AUDITORS

**M/s KNP AND ASSOCIATES.**

**Chartered Accountants**

303/304, Shyamkamal "D" Tejpal Road,  
Vile Parle (East), Mumbai - 400057.

**Tel:** 022 26191557/26160149

**E-mail:** office@knpca.com

**Contact Person:** Mrs. Nisha Unadkat

**Firm Registration No.:** 142448W

**Membership No.:** 145206

#### PEER REVIEW AUDITORS

**RPMD & ASSOCIATES**

**Chartered Accountants**

AB-17, 1<sup>st</sup> Floor, Shalimar Bagh,  
New Delhi - 110088

**Tel:**+911127472042

**Mobile:**+919811613999

**E-mail:** info@rpmd.in

**Contact Person:** Mr. Rahul Jain

**Firm Registration No.:** 005961C

**Membership No.:** 518352

#### BOOK RUNNING LEAD MANAGER TO THE ISSUE

**SARTHI CAPITAL ADVISORS PRIVATE LIMITED**

159/11, Amar Brass Compound

Unit No. 411, Fourth Floor, Pratap Bhavan,



VidyaNagariMarg, Kalina,  
Santacruz (E), Mumbai – 400098  
**Tel:** (022) 26528671/72  
**Fax:** (022) 26528673  
**Contact Person:** Mr. Deepak Sharma  
**Email:** ipo@sarthiw.in  
**SEBI Registration No.:** INM000012011

5-Bahadur ShahZafar Marg,  
New Delhi-110002  
**Tel:** (011) 23739425-27  
**Fax:** (011) 23739424  
**Contact Person:** Mr. Anand Lakhotia

#### REGISTRAR TO THE ISSUE

##### **BIGSHARE SERVICES PRIVATE LIMITED**

Bharat Tin Works Building, 1st Floor,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East, Mumbai – 400059.  
**Tel:**+91 22 62638200  
**Fax:**+91 22 62638299  
**E-mail:** ipo@bigshareonline.com  
**Contact Person:** Mr. Ashok Shetty  
**SEBI Registration No.:** INR000001385

#### LEGAL ADVISOR TO THE ISSUE

##### **ECONOMIC LAWS PRACTICE**

109 A, 1st Floor, Dalamal Towers,  
Free Press Journal Road, Nariman Point,  
Mumbai-400021  
**Tel:** +91 22 66367000  
+91 22 66367172  
**E-mail:** mumbai@elp-in.com  
**Contact Person:** Mr. Ranjeet Mahtani

#### BANKERS TO THE COMPANY

##### **YESBANK LIMITED**

G-1, Plot No. B-6, Valecha Chambers,  
New Link Road, Andheri West,  
Mumbai-400053.  
**Tel:**022-66929000  
**Email:** Chetna.shetty@yesbank.in  
**Contact Person:** Chetna Shetty

#### BANKERS TO THE ISSUE/ PUBLIC ISSUE BANK

##### **AXIS BANK LIMITED**

Fortune 2000, Ground Floor, Bandra-Kurla Complex,  
Bandra (E), Mumbai – 400051

**Tel:** +91-22- 61483110

**Fax:** +91-22-61483119

**Email:** BKC.Operationshead@axisbank.com

**Contact Person:** Mr. Percy Badhniwala

**SEBI Registration No.:** INBI00000017

#### REFUND BANKER

##### **AXIS BANK LIMITED**

Fortune 2000, Ground Floor, Bandra-Kurla Complex,

Bandra (E), Mumbai – 400051

**Tel:** +91-22- 61483110

**Fax:** +91-22-61483119

**Email:** BKC.Operationshead@axisbank.com

**Contact Person:** Mr. Percy Badhniwala

**SEBI Registration No.:** INBI00000017

#### DESIGNATED INTERMEDIARIES

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

The lists of SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> or such other websites as updated from time to time. For details of the Designated Branches which shall collect Bid cum Application Forms from the ASBA Bidders and Designated Intermediaries, please refer the above link.

##### **REGISTERED BROKERS**

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

##### **REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS**

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

##### **COLLECTING DEPOSITORY PARTICIPANTS**

The list of CDPs eligible to accept Bid cum Application Forms at the Designated CDP Location, including details such as name and contact details, are provided on the website of Stock Exchange at National Stock Exchange India Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of

the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

#### CREDIT RATING

This being an issue of Equity shares, credit rating is not required.

#### IPO GRADING

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

#### APPRAISAL AND MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs. Since the Issue size is only of Rs. [●] lakhs, our Company has not appointed any monitoring agency for this Issue. However, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

#### INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Sarthi Capital Advisors Pvt. Ltd. is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Managers is not applicable.

#### EXPERT OPINION

Except the report of the Statutory Auditor on statement of tax benefits included in this Red Herring Prospectus, our Company has not obtained any other expert opinion.

#### DEBENTURE TRUSTEE

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

#### BOOK BUILDING PROCESS

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Issue Price shall be determined by our Company in consultation with the BRLM, in accordance with the Book Building Process, after the Bid / Issue Closing Date. The principal parties involved in the Book Building Process are:

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

In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bids prior to the Bid/issue Closing Date.

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

For further details on the method and procedure for Bidding, please see section entitled —Issue Procedure on page 280 of this Red Herring Prospectus.

**Illustration of Book Building and Price Discovery Process:** *(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue)*

Bidders can bid at any price within the price band. For instance, assume a price band of Rs.20 to Rs.24 per equity share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table

below. A graphical representation of the consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount	Cumulative Quantity	Subscription
500	24	500	16.67%
1000	23	1500	50.00%
1500	22	3000	100.00%
2000	21	5000	166.67%
2500	20	7500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The issuer, in consultation with the Book Running Lead Manager will finalize the issue price at or below such cut-off price, i.e., at or below Rs. 22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

#### Steps to be taken by the Bidders for Bidding:

- 1) Check eligibility for making a Bid (see section titled —*Issue Procedure* on page 280 of this Red Herring Prospectus);
- 2) Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- 3) Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- 4) Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participants verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims
- 5) Ensure that the Bid cum Application Form is duly completed as per instructions given in the Red Herring Prospectus and in the Bid cum Application Form;

#### BID / ISSUE PROGRAMME

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

Event	Indicative Date
Bid / Issue Opening Date	November 14, 2017
Bid / Issue Closing Date	November 16, 2017
Finalisation of Basis of Allotment with the Designated Stock Exchange	November 21, 2017
Unblocking of Funds	November 22, 2017
Credit of Equity Shares to demat accounts of Allottees	November 23, 2017
Commencement of trading of the Equity Shares on the Stock Exchange	November 24, 2017

The above timetable is indicative and does not constitute any obligation on our Company or the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and revision of Bids, shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (IST) during the Bid/Issue Period as mentioned above at the Bidding centers and designated branches of SCSBs as mentioned in the Bid Cum

Application Form. On the Bid/Issue Closing Date, the Bids and any revision in the Bids shall be accepted only between **10.00 a.m. and 3.00 p.m.** (IST) and shall be uploaded until (i) **4.00 p.m.** (IST) in case of Bids by QIB Bidders and Non-Institutional Bidders, and (ii) until **5.00 p.m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of applications received up to the closure of timings and reported by the BRLM to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic bidding system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/ Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/ Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. All times mentioned in this Red Herring Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/ Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager or the Syndicate Member is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

QIBs and Non-Institutional Bidders shall neither withdraw nor revise their Bids so as to lower the size of their Bid at any stage after they have Bid for the Issue. QIBs and Non-Institutional Investors may revise their Bids upwards (in terms of quantity of Equity Shares or the Bid Amount) during the Bid/Issue Period. Such upward revision must be made using the Revision Form.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Offer Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs / Syndicate Member / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

#### UNDERWRITER

Our Company and BRLM to the issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated March 24, 2017, pursuant to the terms of the underwriting agreement; the obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Issue.

Name and Address of the Underwriter	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
<b>Sarthi Capital Advisors Private Limited</b>	7,26,000	[●]	100.00

Name and Address of the Underwriter	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
159/11, Amar Brass Compound, VidyaNagariMarg, Kalina, Santacruz(E),Mumbai - 400098 <b>Tel:</b> (022) 26528671/72 <b>Fax:</b> (022) 26528673 <b>Email:</b> ipo@sarthiw.in <b>Contact Person:</b> Mr. Deepak Sharma <b>SEBI Registration No.:</b> INM000012011			
<b>Total</b>	<b>7,26,000</b>	<b>[•]</b>	<b>100.00</b>

In the opinion of the Board of Directors of the Company, the resources of the abovementioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. Further, our Company shall not pay any underwriting commission, as it forms part of the compensation scheme worked out in the Issue Agreement.

#### DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Lead Manager have entered into a tripartite agreement dated March 24, 2017 with the following Market Maker, duly registered with National Stock Exchange of India Limited to fulfill the obligations of Market Making:

#### CHOICE EQUITY BROKING PRIVATE LIMITED

Choice House, Shree Shakambhari Corporate Park,

156-158, J.B. Nagar, Andheri (E),

Mumbai – 400099

**Tel:** + 91 22 67079853

**Fax:** + 91 22 67079898

**E-mail:** sme@choiceindia.com

**Contact Person:** Mr. Premkumar Harikrishnan

**SEBI Registration No.:** INB231377335

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

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip

provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

- After a period of three years from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25 % of Issue Size (Including the 38,000 Equity Shares out to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 38,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.

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 are 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 Issue Size)
Up to Rs. 20 Crore	25%	24%
Rs. 20 crore to Rs. 50 crore	20%	19%
Rs. 50 to Rs. 80 crore	15%	14%
Above Rs. 80 crore	12%	11%

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

- There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Make(s), for the quotes given by him.
- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Choice Equity Broking Private Limited is acting as the sole Market Maker.
- 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.
- The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- The Market Maker(s) shall have the right to terminate said arrangement by giving one month 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 abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the

current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that 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.

11. Emerge of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
12. Emerge of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

13. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.



## CAPITAL STRUCTURE

The share capital of our Company as of the date of this Red Herring Prospectus before and after the issue is set forth below:

(Rs. In Lakhs except share data)

Sr. No.	Particulars	Aggregate Value	
		Face Value	Issue Price
<b>A</b>	<b>AUTHORISED SHARE CAPITAL</b>		
	50,00,000 Equity Shares of face value of Rs. 10/- each	500.00	
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>		
	20,00,000 fully paid up Equity Shares of face value of Rs. 10/- each	200.00	
<b>C</b>	<b>PRESENT ISSUE IN TERMS OF RED HERRING PROSPECTUS*</b>		
	7,26,000 Equity Shares of face value of Rs. 10/- each	72.60	[●]
	Which comprises of		
	38,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. [●]/- per Equity Share reserved as Market Maker Portion	3.80	[●]
	Net Issue to Public of 6,88,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. [●]/- per Equity Share to the Public	68.80	[●]
	Of which		
	3,44,000 Equity Shares of face value of Rs. 10 each at a premium of Rs. [●]/- per Equity Share will be available for allocation to Investors up to Rs. 2.00 Lakhs	34.40	[●]
	3,44,000 Equity Shares of face value of Rs. 10 each at a premium of Rs. [●]/- per Equity Share will be available for allocation to Investors above Rs. 2.00 Lakhs	34.40	[●]
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE</b>		
	27,26,000 Equity Shares of face value of Rs. 10 each	272.60	
<b>E</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		

Before the Issue	NIL
After the Issue	[•]

\*The Issue has been authorized pursuant to a resolution of our Board dated March 22, 2017 and by Special Resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held on March 23, 2017.

The Company has only one class of share capital i.e. Equity Shares of face value of Rs.10/- each only. All Equity Shares issued are fully paid-up.

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

#### NOTES TO THE CAPITAL STRUCTURE:

History of change in authorized Equity Share capital of Our Company

- a) The Initial Authorized Share Capital of Rs. 50,00,000 (Rupees Fifty Lakh only) consisting of 5,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs.5,00,00,000 (Rupees Five Crore only) consisting of 50,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated February 13, 2017.

#### 1. Equity Share Capital History:

Date of Allotment of the Equity shares	No. of Equity Shares Allotted	Face Value	Issue Price	Nature of Allotment	Nature of Consideration	Cumulative No. of Shares	Cumulative Paid up Capital
Since Incorporation	10,000	10	10	Subscription to MOA <sup>(1)</sup>	Cash	10,000	1,00,000
February 03, 2006	90,000	10	10	Allotment of Equity Shares <sup>(2)</sup>	Cash	1,00,000	10,00,000
January 18, 2008	49,000	10	10	Allotment of Equity Shares <sup>(3)</sup>	Cash	1,49,000	14,90,000
March 24, 2011	1,01,000	10	10	Allotment of Equity Shares <sup>(4)</sup>	Cash	2,50,000	25,00,000
March 26, 2011	2,50,000	10	Nil	Bonus Issue <sup>(5)</sup>	Consideration other than Cash	5,00,000	50,00,000
March 25, 2017	15,00,000	10	Nil	Bonus Issue <sup>(6)</sup>	Consideration other than Cash	20,00,000	2,00,00,000

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

Sr. No	Name of Person	No. of Shares Allotted
1.	Mr. Ramakrishnan Krishnaraju Manden Kattil	5,000
2.	Mr. Anirvan Partha Ghose	5,000

Sr. No	Name of Person	No. of Shares Allotted
	<b>Total</b>	<b>10,000</b>

(2) The Company allotted 90,000 Equity Shares of face value of Rs. 10/- each at par as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Mr. Ramakrishnan Krishnaraju Manden Kattil	70,000
2.	Mr. Anirvan Partha Ghose	20,000
	<b>Total</b>	<b>90,000</b>

(3) The Company allotted 49,000 Equity Shares of face value of Rs. 10/- each at par as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Mr. Ramakrishnan Krishnaraju Manden Kattil	27,000
2.	Mr. Anirvan Partha Ghose	22,000
	<b>Total</b>	<b>49,000</b>

(4) The Company allotted 1,01,000 Equity Shares of face value of Rs. 10/- each at par as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Mr. Ramakrishnan Krishnaraju Manden Kattil	60,500
2.	Mr. Anirvan Partha Ghose	40,500
	<b>Total</b>	<b>1,01,000</b>

(5) The Company allotted 2,50,000 Equity Shares as bonus issue of face value of Rs. 10/- each in the ratio of 1 equity share for every 1 equity shares as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Mr. Ramakrishnan Krishnaraju Manden Kattil	1,62,500
2.	Mr. Anirvan Partha Ghose	87,500
	<b>Total</b>	<b>2,50,000</b>

- (6) The Company allotted 15,00,000 Equity Shares as bonus issue of face value of Rs. 10/- each in the ratio of 3 equity share for every 1 equity shares as per the details given below.

Sr. No.	Name of Person	No. of Shares Allotted
1.	Mr. Ramakrishnan Krishnaraju Manden Kattil	9,74,991
2.	Mr. Anirvan Partha Ghose	5,24,994
3.	Mrs. Neeta Ramakrishnan	3
4.	Ms. Devangi Ramakrishnan	3
5.	Ms. Bhavya Ramakrishnan	3
6.	Mrs. Rumeeta Ghose	3
7.	Mr. Arjun Ghose	3
	<b>TOTAL</b>	<b>15,00,000</b>

2. (a) Issue of Equity Shares for consideration other than cash (Issue of Bonus Shares)

Date of allotment	Number of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Allottees	No. of Shares Allotted
March 26, 2011	2,50,000	10	Nil	Other than Cash	Bonus issue of Equity Shares in the ratio of 1:1	Mr. Ramakrishnan Krishnaraju Manden Kattil	1,62,500
						Mr. Anirvan Partha Ghose	87,500
						<b>Total</b>	<b>2,50,000</b>

- (b) Issue of Equity Shares for consideration other than cash (Issue of Bonus Shares)

Date of allotment	Number of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Allottees	No. of Shares Allotted
March 25, 2017	15,00,000	10	Nil	Other than Cash	Bonus issue of Equity Shares in the ratio of 3:1	Mr. Ramakrishnan Krishnaraju Manden Kattil	9,74,991
						Mr. Anirvan Partha Ghose	5,24,994
						Mrs. Neeta Ramakrishnan	3
						Ms. Devangi Ramakrishnan	3

						Ms. Bhavya Ramakrishnan	3
						Mrs. Rumeeta Ghose	3
						Mr. Arjun Ghose	3
						<b>Total</b>	<b>15,00,000</b>

No benefits have accrued to the Company out the above issuances.

- We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act.1956 or under section 230-234 of the Companies Act, 2013.
- We have not issued any equity shares in last one year at price below Issue Price.
- Details of shareholding of promoters:

**A. Mr. Ramakrishnan Krishnaraju Manden Kattil**

Date of Allotment/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	No. of Shares Pledged	% of Shares Pledged
On Incorporation	5,000	10	10	Subscription to MOA	0.25	0.18	0	0.00%
February 03, 2006	70,000	10	10	Allotment of Equity shares	3.50	2.57	0	0.00%
January 15, 2008	27,000	10	10	Allotment of Equity shares	1.35	0.99	0	0.00%
March 24, 2011	60,500	10	10	Allotment of Equity shares	3.03	2.22	0	0.00%
March 26, 2011	1,62,500	10	Nil	Bonus Issue	8.13	5.96	0	0.00%
February 13, 2017	(3)	10	55	(Transfer)	Negligible	Negligible	0	0.00%
March 25, 2017	9,74,991	10	Nil	Bonus Issue	48.75	35.77	0	0.00%
<b>Total</b>	<b>12,999,88</b>				<b>65.00</b>	<b>47.69</b>	<b>0</b>	<b>0.00%</b>

**B. Mr. Anirvan Partha Ghose**

Date of Allotment/	No. of Equity	Face value per	Issue / Acquisition /	Nature of Transactions	Pre-issue share	Post- issue shareholdi	No. of Shares	% of Shares
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Transfer	Shares	Share (Rs.)	Transfer price (Rs.)		holding %	holding %	Pledged	Pledged
On Incorporation	5000	10	10	Subscription to MOA	0.25	0.18	0	0.00%
February 03, 2006	20,000	10	10	Allotment of Equity shares	1.00	0.73	0	0.00%
January 15, 2008	22,000	10	10	Allotment of Equity shares	1.10	0.81	0	0.00%
March 24, 2011	40,500	10	10	Allotment of Equity shares	2.03	1.49	0	0.00%
March 26, 2011	87,500	10	Nil	Bonus Issue	4.38	3.21	0	0.00%
February 13, 2017	(2)	10	55	(Transfer)	Negligible	Negligible	0	0.00%
March 25, 2017	5,24,994	10	Nil	Bonus Issue	26.25	19.26	0	0.00%
<b>Total</b>	<b>6,99,992</b>				<b>35.00</b>	<b>25.68</b>	<b>0</b>	<b>0.00%</b>

6. Our Promoter Group, Directors and their immediate relatives have not purchased/sold Equity Shares of the Company during last 6 months except as mentioned below:

Sr. No.	Name of Transferor	Name of Transferee	Date of Transfer	Transfer Price	No. of Shares
1.	Mr. Ramakrishnan Krishnaraju Manden Kattil	Mrs. Neeta Ramakrishnan	February 13, 2017	55	1
2.	Mr. Ramakrishnan Krishnaraju Manden Kattil	Ms. Devangi Ramakrishnan	February 13, 2017	55	1
3.	Mr. Ramakrishnan Krishnaraju Manden Kattil	Ms. Bhavya Ramakrishnan	February 13, 2017	55	1
4.	Mr. Anirvan Partha Ghose	Mrs. Rumeeta Anirvan Ghose	February 13, 2017	55	1
5.	Mr. Anirvan Partha Ghose	Mr. Arjun Ghose	February 13, 2017	55	1

The above shares were transferred to comply with the provision of the Companies Act, 2013 for minimum shareholders in a public company.

7. Our Promoters have confirmed to the Company and the Book Running Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds or their internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

8. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing offer document with the Stock Exchange.

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

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

Our Promoters Mr. Ramakrishnan Krishnaraju Manden Kattil and Mr. Anirvan Partha Ghose have granted consent to include such number of Equity Shares held by them as may constitute 20.03% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this Red Herring Prospectus until the completion of the lock-in period specified above.

Date of allotment	Date when made fully paid up	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	% of Post Issue Capital
<b>Mr. Ramakrishnan Krishnaraju Manden Kattil</b>						
March 25, 2017	March 25, 2017	3,56,000	10	NIL	Bonus Issue	13.06
<b>Total (A)</b>		<b>3,56,000</b>				<b>13.06</b>
<b>Mr. Anirvan Partha Ghose</b>						
March 25, 2017	March 25, 2017	1,90,000	10	NIL	Bonus Issue	6.97
<b>Total (B)</b>		<b>1,90,000</b>				<b>6.97</b>
<b>Total (A+B)</b>		<b>5,46,000</b>				<b>20.03</b>

We further confirm that the aforesaid minimum Promoter Contribution of 20% 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 out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.
- The Equity Shares held by the Promoters and offered for minimum Promoter's Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter's Contribution subject to lock-in.

- Equity shares issued to our Promoters on conversion of partnership firm into limited company during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Initial Public Offer.

The Promoter's Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions, in the event the pledge of the Equity Shares is one of the terms of the sanction of the loan. The Promoter's Contribution may be pledged only if in addition to the above stated, the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of this Issue.

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

#### 10. Details of share capital locked in for one year

In addition to minimum 20% of the Post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), in accordance with regulation 36 of SEBI (ICDR) Regulations, the entire pre-issue share capital of our Company shall be locked in for a period of one year from the date of Allotment in this Issue.

The Equity Shares held by persons other than our Promoters and locked-in for a period of one year from the date of Allotment, in accordance with regulation 37 of SEBI (ICDR) Regulations, in the Issue may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations.



A. The table below represents the current shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015:

I. Summary of Shareholding Pattern

Category Code	Category of shareholder	No. Of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share Capital ) As a % of (A+B+C2)	Number of locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
								No. of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (B)	No. (a)	As a % of total shares held (B)	
								Class X	Class Y	Total								
I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoter and Promoter Group	7	20,00,000	-	-	20,00,000	100.00	20,00,000	0	20,00,000	100.00	-	100.00	20,00,000	100.00	-	-	20,00,000

(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promo ter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underl ying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emplo yee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>20,00 ,000</b>	<b>-</b>	<b>-</b>	<b>20,00,00 0</b>	<b>100.00</b>	<b>20,00 ,000</b>	<b>0</b>	<b>20,00 ,000</b>	<b>100. 00</b>	<b>-</b>	<b>100.00</b>	<b>20,00 ,000</b>	<b>100 .00</b>	<b>-</b>	<b>-</b>	<b>20,00,00 0</b>

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

*\*\*Shall be locked-in on or before the date of allotment in this Issue.*

II. Shareholding Pattern of promoters and Promoter Group

(I)	Category & name of shareholder (I)	PAN (II)	No. of shares held (I II ) (IV)	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)	Share holding 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*				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 ) As a % of (A+B+C2) (XI)=(VII)+(X)	Number of locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form (XIV)
									No. of Voting Rights			Total as a % of (A+B+C ) (X)			No. (a)	As a % of total shares held (B)	No. (a)	As a % of total shares held (B)	
									Classes : X	Classes : Y	Total								
(I)	(II)	(III)	(I II I )	(IV)	(V)	(VI)	(VII)=(IV)+(V)+(VI)	(VIII)	(IX)				(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)
(1)	Indian																		

(a)	Individual/ Hindu Undivided Family	-	7	20,00,000	-	-	20,00,000	100.00	20,00,000	0	20,00,000	100.00	-	100.00	20,00,000	100.00	-	-	20,00,000
	Mr. Ramakrishnan Krishnaraju Manden Kattil	AAPPK3 916N	1	12,999,88	-	-	12,999,88	65.00	12,999,88	0	12,999,88	65.00	-	65.00	12,999,88	65.00	-	-	12,999,88
	Mr. Anirvan Partha Ghose	ADWPG 9482F	1	6,99,992	-	-	6,99,992	35.00	6,99,992	0	6,99,992	35.00	-	35.00	6,99,992	35.00	-	-	6,99,992
	Mrs. Neeta Ramakrishnan	AABPR6 652G	1	4	-	-	4	Negligible	4	0	4	Negligible	-	Negligible	4	Negligible	-	-	4
	Ms. Devangi Ramakrishnan	ADQPR 5836C	1	4	-	-	4	Negligible	4	0	4	Negligible	-	Negligible	4	Negligible	-	-	4
	Ms. Bhavya Ramakrishnan	AGNPR 8212L	1	4	-	-	4	Negligible	4	0	4	0.00	-	0.00	4	Negligible	-	-	4
	Mrs. Rumeeta Ghose	ADQPG 6489A	1	4	-	-	4	Negligible	4	0	4	0.00	-	0.00	4	Negligible	-	-	4

	Mr. Arjun Ghose	CBZPG4 906K	1	4	-	-	4	Negligible	4	0	4	0.00	-	0.00	4	Negligible	-	-	4
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any other (Body Corporate)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-total (A) (1)</b>	-	7	20,00,000	-	-	20,00,000	100.00	20,00,000	0	20,00,000	100.00	-	100.00	20,00,000	100.00	-	-	20,00,000
(2)	<b>Foreign</b>																		
(a)	Individual (Non-Resident Individual/Foreign Individual)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A) (2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Shareholding of Promoters and Promoter Group (A)=(A)(1) +(A)(2)</b>	-	7	20,00,000	-	-	20,00,000	100.00	20,00,000	0	20,00,000	100.00	-	100.00	20,00,000	100.00	-	-	20,00,000

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

*\*\*Shall be locked-in on or before the date of allotment in this Issue.*

III. Shareholding Pattern of the Public shareholder.

	Category & name of shareholder	PAN	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
									No. of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (B)	No. (a)	As a % of total shares held (B)	
									Class : X	Class : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)=(IV)+(V)+(VI)	(VIII)	(IX)				(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)
(1)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



	(specify)																		
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	Non-Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Individuals-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	i. Individual shareholders holding nominal share capital up to Rs. 2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	lakhs.																		
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs)  (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



	Sub-Total (B)(3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Public Shareholding (B)-(B)(1)+(B)(2)+(B)(3)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

*\*\*Shall be locked-in on or before the date of allotment in this Issue.*

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

	Category & name of shareholder	P A N	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
									No. of Voting Rights			Total as a % of Total Voting rights			No. (Not Applicable)	As a % of total shares held (B)	No. (Not Applicable)	As a % of total shares held (Not Applicable)	
									Classes : X	Classes : Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)=(IV)+(V)+(VI)	(VIII)	(IX)			(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)		
(1)	Custodian /DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Name of DR Holder (if applicable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

( 2 )	Employee Benefit Trust (Under SEBI (Share based Employee Benefit ) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Non-Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*\*In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialised prior to filing the Red Herring Prospectus with the RoC. Accordingly, our Company has dematerialized all the existing shares of the Company and the same will be maintained on a continuous basis in the manner as specified by the board.*

*Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE (National Stock Exchange of India Limited) before commencement of trading of such Equity Shares.*

### Shareholding of our Promoters and Promoter Group

The table below presents the current shareholding pattern of our Promoters and Promoter Group. (Individuals)

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	<b>Promoters</b>				
1.	Mr. Ramakrishnan Krishnaraju Manden Kattil	12,999,88	65.00	12,999,88	47.69
2.	Mr. Anirvan Partha Ghose	6,99,992	35.00	6,99,992	25.68
	<b>Promoter Group</b>				
3.	Mrs. Neeta Ramakrishnan	4	Negligible	4	Negligible
4.	Ms. Devangi Ramakrishnan	4	Negligible	4	Negligible
5.	Ms. Bhavya Ramakrishnan	4	Negligible	4	Negligible
6.	Mrs. Rumeeta Ghose	4	Negligible	4	Negligible
7.	Mr. Arjun Ghose	4	Negligible	4	Negligible
	<b>Total</b>	<b>20,00,000</b>	<b>100.00</b>	<b>20,00,000</b>	<b>73.37</b>

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

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Ramakrishnan Krishnaraju Manden Kattil	12,999,88	1.25
Mr. Anirvan Partha Ghose	6,99,992	1.25

### Equity Shares held by top ten shareholders

Our top Seven\* shareholders and the number of Equity Shares held by them as on date of this Red Herring Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Mr. Ramakrishnan Krishnaraju Manden Kattil	12,999,88	65.00
2.	Mr. Anirvan Partha Ghose	6,99,992	35.00
3.	Mrs. Neeta Ramakrishnan	4	Negligible
4.	Ms. Devangi Ramakrishnan	4	Negligible
5.	Ms. Bhavya Ramakrishnan	4	Negligible
6.	Mrs. Rumeeta Ghose	4	Negligible
7.	Mr. Arjun Ghose	4	Negligible
	<b>Total</b>	<b>20,00,000</b>	<b>100.00</b>

*\*Our Company had only Seven Shareholders as on date of this Red Herring Prospectus*

Our top Seven\* shareholders and the number of Equity Shares held by them ten days prior to the date of this Red Herring Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Mr. Ramakrishnan Krishnaraju Manden Kattil	12,999,88	65.00
2.	Mr. Anirvan Partha Ghose	6,99,992	35.00
3.	Mrs. Neeta Ramakrishnan	4	Negligible
4.	Ms. Devangi Ramakrishnan	4	Negligible
5.	Ms. Bhavya Ramakrishnan	4	Negligible
6.	Mrs. Rumeeta Ghose	4	Negligible
7.	Mr. Arjun Ghose	4	Negligible
	<b>Total</b>	<b>20,00,000</b>	<b>100.00</b>

*\*Our Company had only Seven Shareholders ten days prior to the date of this Red Herring Prospectus*

Our top Two\* shareholders and the number of Equity Shares held by them two years prior to date of this Red Herring Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of then existing capital
1.	Mr. Ramakrishnan Krishnaraju Manden Kattil	3,25,000	65.00
2.	Mr. Anirvan Partha Ghose	1,75,000	35.00
	<b>Total</b>	<b>5,00,000</b>	<b>100.00</b>

*\*Our Company had only Two Shareholders two years prior to the date of this Red Herring Prospectus*

11. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Book Running Lead Manager for purchase of Equity Shares offered through this Red Herring Prospectus.
12. The Equity Shares, which are subject to lock-in, shall carry the inscription "non-transferable" and the non-transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.
13. As on the date of this Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
14. Except, as otherwise disclosed in the chapter titled "Objects of the Issue" beginning on page 89 of this Red Herring Prospectus, we have not raised any bridge loans against the proceeds of the Issue.
15. Investors may note that in case of over-subscription in the Issue, allotment to Retail bidders and other bidders shall be on a proportionate basis. For more information, please refer to the chapter titled "Issue Structure" beginning on page 277 of this Red Herring Prospectus.
16. The Equity Shares Issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no allotment shall be made.
17. Our Company has not issued any Equity Shares at a price less than the Issue Price in the last one year preceding the date of filing of this Red Herring Prospectus.
18. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
19. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Book Running Lead Manager and National Stock Exchange of India Limited.
20. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
21. The Issue is being made through Book Building Method.



22. As on date of filing of this Red Herring Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
23. On the date of filing this Red Herring Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
24. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
25. Book Running Lead Manager viz. Sarthi Capital Advisors Private Limited and its associates do not hold any Equity Shares of our Company.
26. Our Company has not revalued its assets since incorporation.
27. Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
28. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
29. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
30. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Red Herring Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
31. Except as disclosed in the Red Herring Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
32. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
33. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
34. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
35. Our Company has Seven (7) shareholders as on the date of filing of this Red Herring Prospectus.

## OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the NSE Emerge Platform.

The objects of the Issue are:-

1. Acquisitions and Other Strategic Initiatives
2. General Corporate Purpose
3. Issue Expenses.

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

### FUND REQUIREMENTS

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

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

*(Rs. In lakhs)*

Sr. No.	Particulars	Total (in %)
1.	Acquisitions and Other Strategic Initiatives	[•]
2.	General Corporate Purpose	[•]
3.	*Issue Expenses	[•]
	<b>Total</b>	<b>100%</b>

*\* As on October 09, 2017, our Company has incurred a sum of Rs.18,13,203 (Rupees Eighteen Lakhs Thirteen thousands Two Hundred and Three Only) towards issue expenses.*

**The requirements of the objects detailed above are intended to be funded from the Proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.**

**The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below.**

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.



**We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-schedulement, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.**

## **DETAILS OF UTILIZATION OF ISSUE PROCEEDS**

### **1. ACQUISITIONS AND OTHER STRATEGIC INITIATIVES**

In pursuit of our strategy of inorganic growth through strategic acquisitions, we continue to selectively evaluate targets or partners for strategic acquisitions and investments in order to strengthen our range of products and technology know how, knowledge sharing in order to strengthen our position in domestic as well as global market. Our strategy is to seek to invest in synergistic businesses with potential of high growth and margin, to invest in businesses with high growth potential, along with their existing market share and to integrate and grow businesses through enhanced quality and product parameters coupled with management know-how and experience.

Our Company is in the process of shortlisting companies for acquisition. Pursuant to our Board's discussion in the Board meeting dated March 25, 2017, we intend to utilize Rs. [●] lacs from the Net Proceeds towards such potential strategic acquisition. This amount is based on our management's current estimates of the amounts to be utilized towards this Object, considering our discussions and negotiations with potential targets and partners and other relevant considerations. The proceeds of the Issue may not be the total value of the strategic acquisition/initiative undertaken, but provide us with enough leverage to contract. As on the date of this Red Herring Prospectus, we have not entered into any definitive agreements towards any such potential strategic acquisition.

The actual deployment of funds will depend on a number of factors, including the timing and nature of strategic acquisition/initiative undertaken, as well as general factors affecting our results of operation, financial condition and access to capital. These factors will also determine the form of investment for these potential strategic initiatives, i.e., whether they will involve equity, debt or any other instrument or combination thereof. In the event that there is a shortfall of funds required for such strategic initiatives, such shortfall shall be met out of the portion of the Net Proceeds allocated for general corporate purposes and/or through our internal accruals or borrowings or any combination thereof. Further, in the event that there is a surplus, such amount shall be utilized towards general corporate purpose.

The strategic investment proposed are in equity / equity linked instruments. However, no dividends are assured. Further, the company shall identify and evaluate businesses for acquisition which are synergistic to the current business. Synergies could be in the form of geographical expansion, brand additions, operating efficiencies, etc.

### **2. GENERAL CORPORATE PURPOSE**

The Net Proceeds will be first utilized towards the Objects mentioned above. We, in accordance with the policies set up by our Board, will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds from the Issue in accordance with Regulation 4(4) of the SEBI Regulations, including but not restricted towards working capital requirements, investments in subsidiaries after formation and strengthening our marketing capabilities.

In case of variations in the actual utilization of funds designated for the purposes set forth above increased fund requirements for a particular purpose may be financed by surplus funds, if any, which are not applied to the other purposes, set out above.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by the Board and in compliance with applicable laws. Our management, in response to the competitive and 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 Net Proceeds and increasing or decreasing expenditure for a particular object, i.e., the utilization of Net Proceeds. In case of a shortfall in Net Proceeds, our management may explore a range of options including utilizing our internal accruals or seeking debt from future lenders. Our management expects that such alternate arrangements would be available to fund any such shortfall.

### 3. ISSUE RELATED EXPENSES

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

(Rs. in Lakhs)

Expenses	Expenses (Rs. in Lakhs)	Expenses (% of total Issue expenses)	Expenses (% of Issue size)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Market Makers, Bankers etc.	[●]	[●]	[●]
Regulatory Fees & Other Expenses	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

As on October 09, 2017, our Company has incurred a sum of Rs. 18,13,203 (Rupees Eighteen Lakhs Thirteen Thousands Two Hundred and Three Only) towards issue expenses.

#### Deployment of Funds:

As estimated by our management, the entire proceeds from the Issue shall be utilized as follows:

(Rs. In Lakhs)

Particulars	Total Funds required	Amount incurred till date	Balance deployment during FY 2017-18
Acquisitions and Other Strategic Initiatives	[●]	NIL	[●]
General Corporate Purpose	[●]	NIL	[●]
*Issue Expenses	[●]	18.13	[●]
<b>Total</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\* As on October 09, 2017, our Company has incurred a sum of Rs. 18,13,203 (Rupees Eighteen Lakhs Thirteen Thousand Two Hundred and Three Only) towards issue expenses.

M/s. KNP & Associates, Statutory Auditor have vide certificate dated October 09, 2017 confirmed that as on October 09, 2017 following funds were deployed for the proposed Objects of the Issue:

Source	Estimated Amount (in lacs)
Internal Accruals	18.13
<b>Total</b>	<b>18.13</b>

#### MEANS OF FINANCE

(Rs. in Lakhs)

Particulars	Estimated Amount
Net Proceeds	[•]
<b>Total</b>	<b>[•]</b>

#### APPRAISAL BY APPRAISING AGENCY

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

#### INTERIM USE OF FUNDS

Pending utilization for the purposes 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 management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertakes that full recovery of the said deposit shall be made without any sort of delays as and when need arises for utilization of proceeds for the objects of the issue.

#### BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Objects of the Issue.

#### MONITORING UTILIZATION OF FUNDS

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

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

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

## VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. We shall also comply with regulation 32 of SEBI (LODR) 2015. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Bengali, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

## BASIS FOR ISSUE PRICE

The Issue Price of Rs. [●]/- per Equity Share has been determined by our Company, in consultation with the BRLM's on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is Rs. 10/- and Issue Price is 5.1times the face value at the lower end of the Price Band and 5.4times the face value at the higher end of the Price Band.

### QUALITATIVE FACTORS

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

- Established and proven track record;
- Leveraging the experience of our Promoters;
- Cordial relations with our customers;
- Sufficient manufacturing capacity.

For further details, refer to heading '*Our Strengths*' under chapter titled '*Our Business*' beginning on page 104 of this Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2013-14, 2014-15 and 2015-16 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic Earnings per Share (EPS) as per Accounting Standard 20:

As per our Restated Standalone and Consolidated Financial Statements:

Year ended	EPS (Rs.)	Weight
March 31, 2015	0.05	1
March 31, 2016	1.51	2
March 31, 2017	6.70	3
<b>Weighted Average</b>	<b>3.86</b>	

**Note:** The EPS has been computed by dividing net profit as restated, attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

#### 2. Price to Earnings (P/E) ratio in relation to Price Band of Rs. 51 to Rs. 54 per Equity Share of face value of Rs. 10/- each.

Particulars	P/E Ratio on Cap Price	P/E Ratio on Floor Price
P/E ratio based on Basic EPS for FY 2016-17	8.06	7.61
P/E ratio based on Weighted Average EPS	13.98	13.21

#### 3. Average Return on Net worth (Ron) for the preceding three years.

Return on Net Worth ("Ron") as per our Restated Standalone and Consolidated Financial Statements:

Year ended	Ron (%)	Weight
------------	---------	--------

March 31, 2015	0.41	1
March 31, 2016	12.10	2
March 31, 2017	35.00	3
<b>Weighted Average</b>	<b>21.60</b>	

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

**4. Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2017.**

Particulars	%
At Floor Price	19.16
At Cap Price	18.79

**5. Net Asset Value (NAV)**

Particulars	Amount (Rs.)
Net Asset Value per Equity Share as of March 31, 2017	19.15
Net Asset Value per Equity Share after the Issue	[●]
Issue Price per equity share	[●]

\*NAV per Equity Share has been calculated as Net Worth as divided by number of Equity Shares

**6. Comparison with other listed companies/Industry peers\***

We believe that there are no listed companies in India which are solely engaged in same type of business like ours. Hence a strict comparison is not possible.

The Company in consultation with the Book Running Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of Rs. [●] per share for the Public Issue is justified in view of the above parameters. The investors may also want to pursue the Risk Factors beginning on page 20 of this Red Herring Prospectus and Financials of the company as set out in the Financial Statements beginning on page 15 of this Red Herring Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs. 10/- per share and the Issue Price is [●] times of the face value i.e. Rs. [●]/- per share.

For further details see “Risk Factors” beginning on page 20 of this Red Herring Prospectus and the financials of the Company including profitability and return ratios, as set out in the “Financial Statements” beginning on page 15 of this Red Herring Prospectus for a more informed view.





## STATEMENT OF TAX BENEFITS

### Statement of possible special tax benefits available to the company and its shareholders

To  
The Board of Directors,  
**Pulz Electronics Limited**  
(Formerly Pulz Electronics Private Limited.)  
46 Satish Mukherjee Road,  
Kolkata- 700026, West Bengal, India.

We refer to proposed issue of the shares Pulz Electronics Limited (Formerly Pulz Electronics Private Limited) ('the Company'). We enclose herewith the statement showing the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), as applicable to the assessment year 2018-19 relevant to the financial year 2017-18 for inclusion in the Red Herring Prospectus ("Offer Documents") for the proposed issue of shares.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions, which is based on the business imperatives, the company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide 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 their own tax consultant with respect to specific tax implications arising out of participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

- the Company or its shareholders will continue to obtain these benefits in future;
- the conditions prescribed for availing the benefits, where applicable have been/would be met;
- the revenue authorizes/courts will concur with the views expressed herein.

**For KNP AND ASSOCIATES.**

*Chartered Accountants,*  
Firm Regn. No. 142448W

**CA Nisha Unadkat**  
Partner  
M.N. 145206

**Place:** Mumbai  
**Dated:** October 12, 2017

**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO PULZ ELECTRONICS LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the direct tax laws in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill.

**1. Special Tax Benefits available to the Company**

There are no Special tax benefits available to the Company.

**2. Special Tax Benefits available to the shareholders of the Company**

There are no Special tax benefits available to the shareholders of the Company.

**Notes:**

All the above benefits are as per the current tax laws and any change or amendment in the laws/regulations, which when implemented would impact the same.

**For KNP AND ASSOCIATES.**

*Chartered Accountants,*  
Firm Regn. No. 142448W

**CA Nisha Unadkat**

Partner

M.N. 145206

**Place:** Mumbai

**Dated:** October 12, 2017

## SECTION IV – ABOUT THE COMPANY

### OUR INDUSTRY

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and other industry sources. Neither we nor any other person connected with this Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but 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.*

#### Overview of Indian Economy

India's diverse economy encompasses traditional village farming, modern agriculture, handicrafts, a wide range of modern industries, and a multitude of services. Slightly less than half of the work force is in agriculture, but services are the major source of economic growth, accounting for nearly two-thirds of India's output but employing less than one-third of its labor force. India has capitalized on its large educated English-speaking population to become a major exporter of information technology services, business outsourcing services, and software workers.

Thus, the country is attracting many global majors for strategic investments owing to the presence of vast range of industries, investment avenues and a supportive government. Huge population, mostly comprising the youth, is a strong driver for demand and an ample source of manpower.

With 1.33 billion people and the world's fourth-largest economy, India's recent growth and development has been one of the most significant achievements of our times. Over the six and half decades since independence, the country has brought about a landmark agricultural revolution that has transformed the nation from chronic dependence on grain imports into a global agricultural powerhouse that is now a net exporter of food. Life expectancy has more than doubled, literacy rates have quadrupled, health conditions have improved, and a sizeable middle class has emerged. India is now home to globally recognized companies in pharmaceuticals and steel and information and space technologies, and a growing voice on the international stage that is more in keeping with its enormous size and potential.

*(Source: IBEF)*

#### GDP and Other Indicators

Demonetisation had negative impact on India's growth which slowed down to 7.1% in 2016-17, despite a very good showing by the agricultural sector. India also lost the tag of the fastest growing economy to China in the March quarter with a GDP growth of 6.1%. The GDP, as per the new series with base year of 2011-12, had expanded by 8% in 2015-16. It was 7.9% as based on the old series.

According to the data released by the Central Statistics Office (CSO), the Gross Value Added (GVA) slipped sharply to 6.6% in 2017 ended March 31, from 7.9% growth in 2015-16. The demonetisation seems to have impacted the GVA in the third as well as fourth quarter of 2016-17 which slipped to 6.7% and 5.6% respectively, from 7.3% and 8.7% in the same quarter of 2015-16.

Almost all sectors, with the exception of agriculture, showed deceleration in the aftermath of demonetisation. While the manufacturing sector output in the fourth quarter slowed to 5.3% versus 12.7% in the same period of last year, the construction sector slipped into the negative territory.

According to IMF World Economic Outlook Report released on July 23, 2017, Indian economy is expected to grow at to 6.4% during FY 2017-18.

The Q1 2017-18 GDP slowed down to 5.7% as compared to 7.9% on YoY basis and against 6.1% on QoQ basis, showed the data released by the Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation. The Q1 GDP has hit its 13-quarter low.

Q1 2017-18 GVA at basic price at constant (2011-2012) prices for Q1FY18 is estimated at Rs 29.04 lakh crore, as against Rs 27.51 lakh crore in Q1FY17, showing a growth rate of 5.6% over the corresponding quarter of previous year.

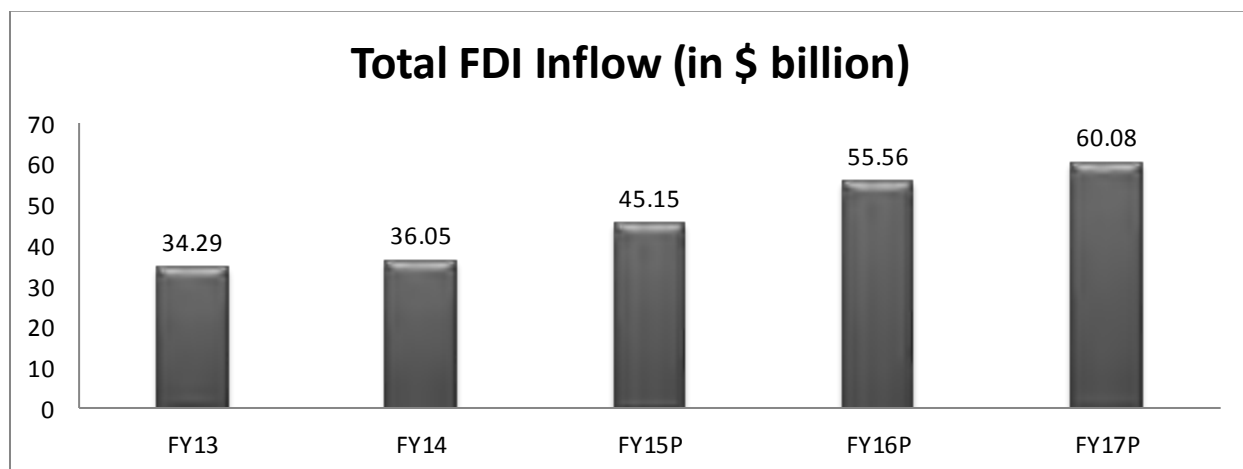
Source: <http://www.imf.org/en/Publications/WEO/Issues/2017/07/07/world-economic-outlook-update-july-2017>

## Foreign Direct Investments

The inflow of Foreign Direct Investment (FDI) to India has jumped to \$60.08 billion in the last three years. According to a release by Ministry of Commerce and Industry, the FDI inflow to India in the financial year 2016-17 was \$60.08 billion, which was around \$5 billion more than the record \$55.56 billion recorded in 2015-16. In the financial year ending March 2015, India had received \$45.15 billion as FDI as against the \$36.05 billion received in 2013-14.

### FDI trends in 2016-17

- Total FDI equity inflow received during 2016-17 is \$ 43.48 billion, which is an increase of 9% compared to 2015-16 (\$ 40.00 billion). This is the highest ever for a particular financial year.
- The FDI equity in flow received through approval route during 2016-17 was US\$ 5.90 billion, which is 65% higher than the previous year (\$ 3.57 billion).
- Manufacturing sectors witnessed 52% growth in comparison to 2015-16 (i.e. from \$ 13.35 billion to \$ 20.26 billion).
- Total FDI inflow grew by 8% to \$60.08 billion in 2016-17 in comparison to \$55.56 billion of the previous year. This is the highest ever FDI inflow for a particular financial year. Before this, the highest FDI inflow was reported in 2015-16.



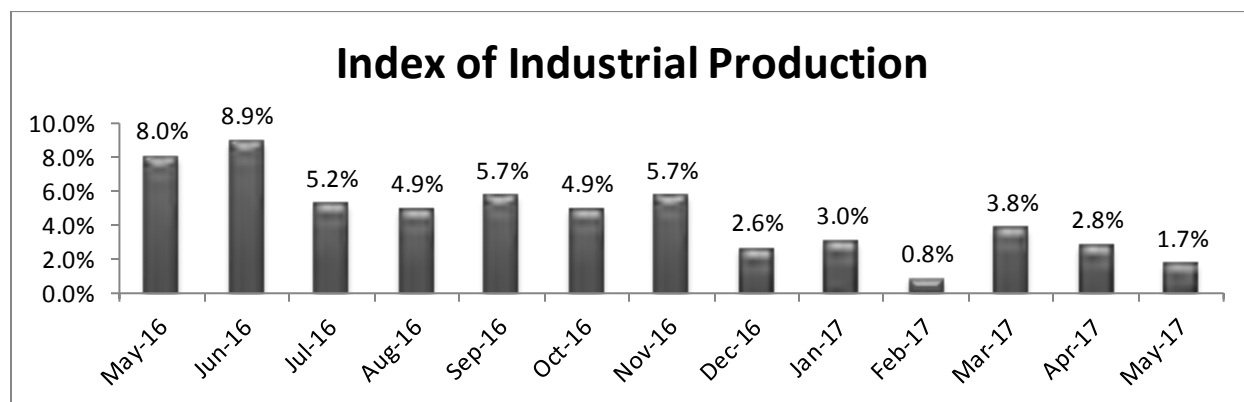
Source: <https://www.cmie.com/kommon/bin/sr.php?kall=warticle&dt=2017-05-20%2014:49:32&msec=960>  
[http://dipp.nic.in/sites/default/files/FDI\\_FactSheet\\_January\\_March2017.pdf](http://dipp.nic.in/sites/default/files/FDI_FactSheet_January_March2017.pdf)

<http://www.financialexpress.com/economy/3-years-of-modi-rule-fdi-inflows-jump-to-60-billion-in-2016-17-from-36-billion-in-2013-14/676518/>

### Index of Industrial Production

The annual IIP registered a growth of 2.7% in March 2017 over the index of March 2016. The growth of index of manufacturing, mining, and electricity was 1.2%, 9.7% and 6.2% respectively during the month.

Cumulatively, the IIP registered a growth of 5.0% during April to March, 2016 -17 over corresponding period of previous year. The index of Manufacturing, Mining and Electricity sector grew by 4.9%, 5.3% and 5.8% respectively during April to March, 2016 – 17 over corresponding period of previous year.



(Source: RBI)

### Key Economic Variables

Particulars	FY13	FY14	FY15	FY16 RE	FY17 AE
<b>GDP %</b>	5.6	6.6	7.2	7.9	7.1
<b>GVA Growth Rate (%)</b>	5.4	6.3	7.1	7.8	6.7
<b>Export Growth (%)</b>	-1.8	4.7	-1.3	-5.4	4.7
<b>Import Growth (%)</b>	0.3	-8.3	-0.5	-5.9	-0.17
<b>Inflation – WPI</b>	7.4	6	2	-0.85	-
<b>Inflation- CPI</b>	10.2	9.5	5.9	4.9e	-

### Global Economy

Stagnant global trade, subdued investment, and heightened policy uncertainty marked another difficult year for the world economy. Global growth in 2016 is estimated at a post-crisis low of 2.3% and is projected to rise to 2.7% in 2017. Growth in emerging market and developing economies (EMDEs) is expected to pick up in 2017.

EMDE growth is expected to accelerate to 4.2% in 2017 and to an average of 4.7% in 2018-19. EMDEs are forecast to contribute 1.6%age points to global growth in 2017, accounting for about 60% of global growth for the first time since 2013.

Growth in the United States slowed markedly, from 2.6% in 2015 to an estimated 1.6% in 2016, 0.3%age point below previous projections. The U.S. economy was held back in 2016 by soft exports, a continued drawdown in inventories, and a deceleration in private investment. In the run-up to the U.S. elections in November, activity had

picked up again, and a further tightening of labor markets had led to slowly rising wage growth. This supported continued gains in real disposable income, which could help deliver a further reduction in poverty rates, following a drop in 2015.

Euro Area growth slowed from 2% in 2015 to 1.6% in 2016, as both domestic demand and exports lost momentum. Confidence in the Euro Area has been resilient following the United Kingdom's vote to exit the European Union (EU) in June 2016 (Figure 1.5). The U.S. election results could also heighten policy uncertainty in Europe. A rebound in oil prices, from their trough in early 2016, implies diminished support to real income and private consumption growth relative to the 2014-15 period.

Growth in China is estimated to have slightly decelerated to 6.7% in 2016. As part of ongoing economic rebalancing, growth has been concentrated primarily in services, while industrial production has stabilized at moderate levels. The internal rebalancing is also evident on the demand side: consumption growth has been strong, while investment growth has continued to moderate from the post-crisis peak.

Source World Bank

### Overview of Professional Audio Speaker Industry

India is home to one of the largest film industries in the world with annual production of 1,500 to 2,000 films in more than 20 languages. Globally, it ranks second in the number of footfalls at cinemas just behind China. In 2015, the Indian film industry clocked Rs 13,800 crore (\$2.1 billion) in revenue and the industry is expected to grow at a CAGR of 11.5% to touch Rs 23,800 crore (\$3.7 billion) by 2020, according to the report.

The multiplex industry has grown significantly over the last decade complemented by rise in per capita income, increasing discretionary spends and changing consumer preferences for an enhanced movie-watching experience. Increasing number of malls with multiplexes have also contributed to the shift from single screen theatres to multiplexes. As per ICRA estimates, India currently has around 8,200 film screens of which ~2,200 are multiplex screens and the rest consists of single screen theatres. Three states viz. Andhra Pradesh, Tamil Nadu and Kerala together account for half of the total single screens in India.

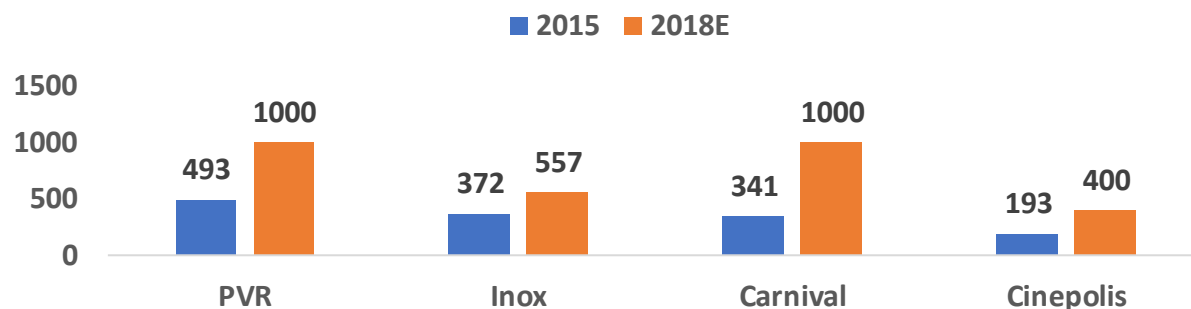
The multiplex industry has seen significant consolidation in recent years with seven major acquisitions valuing over Rs 2,500 crore since November 2012. This has led to considerable change in market dynamics with four major multiplex chains emerging as the prominent players. These four players, in order of their screen count as on September 2016, are PVR1 (557 screens), Inox2 (429 screens), Carnival Cinemas3 (324 screens) and Cinopolis4 (269 screens). They together contribute to more than 70% of total screen count of the Indian multiplex industry.

As per ICRA report, the number of multiplex screens to cross 3000 by 2019 backed by increasing penchant for movie watching, increasing acceptance of regional as well as Hollywood films and increasing number of retail malls especially in tier II and tier III cities which have started to witness development in recent years only. The share of single screens in overall screen base is likely to reduce with rapidly changing consumer preferences for better services, enhanced movie watching experience and comfort.

Source: ICRA report on Indian Multiplex Industry

Growth of Multiplex Chain

## Growth of Multiplex Chain



Source: <https://www.vccircle.com/india-movie-industry-revenue-touch-37-bn-2020-predicts-deloitte/>

### Overview of the global speaker market

The global speaker market is anticipated to grow rapidly and will post a CAGR of close to 20% during the forecast period. According to the industry research report, the increasing preference for wireless streaming of audio content will drive the growth prospects for the global speaker market during the forecast period. One of the major factors responsible for the increasing sales of wireless speakers on a global level is the ability of speakers to stream audio content without wires easily. Moreover, wireless speakers do not use any wiring and consume less space when compared to home theater systems. It has been noted that these speakers also offer portability and come in various sizes and designs to suit consumer preference and requirements. Furthermore, a multitude of consumers are drawn to portable devices such as laptops, smartphones, tablets equipped with Wi-Fi and Bluetooth connectivity since these devices enable users to stream content wirelessly.

In terms of geography, the Americas accounted for the maximum market share during 2015 due to increased per capita income of the population in the US and South American countries. In addition, the growth of the market in the region is also heavily influenced by the rising adoption of wireless speakers. Moreover, countries such as Brazil and Mexico are witnessing an increasing demand for speakers due to the growing number of music streaming services. Also, the share of this segment is likely to decline during the forecast period as the market in the Americas, especially North America, is likely to reach the maturity stage between 2017-2018. However, since the region is the highest adopter of consumer electronics across the globe, it will continue to dominate the market.

<http://www.technavio.com/report/global-consumer-electronics-global-speaker-market-2016-2020>

### Competitive landscape and key vendors

The global speaker market is highly diversified and competitive due to the presence of numerous regional and global vendors. These vendors encounter challenges in the form of intense competition, consumer spending patterns, demographic trends, and frequent changes in consumer preferences. In addition, these vendors compete against each other based on the factors such as features, sound quality, technology, size, and pricing. Furthermore, it has been estimated that the market will become more competitive in nature due to the increasing focus of vendors on advanced technologies.

### Key vendors in this market are -

- Beats Electronics
- Bose
- LG Electronics

- Samsung Electronics
- Sony
- Harman

## Home Audio Market

Home Audio Equipment Market size is set to reach USD 23.97 billion by 2022; growing at 4.0%, as reported by Global Market Insights, Inc. Global home audio equipment market share is sustained by the need for continuous innovation to ensure growth. Increased implementation of surround sound speakers and multi-channel amplifier has encouraged audio systems installation. 3D Blu-ray audio players with super Wi-Fi connectivity have gained prominence. There has been an increase in adoption of sound platforms in one-box audio solutions. Emphasis on environment-friendly measures in order to avoid hearing loss issues will drive demand from 2015 to 2022.

Technological innovation and rapid industrialization have led to a steady stream of new products. This has encouraged retailers to influence new applications as well as strategies in order to deliver seamless consumer experience. Video games, Blu-ray disks, MP3 players and computers are the most commonly sold electronic goods for residential entertainment purposes. Rise in disposable income and growing consumer preference for high quality products are the major factors driving customer base. Emergence of digital music storage systems and Wi-Fi technology are encouraging customers to buy these products, thereby increasing the home audio equipment market share.

Unrestricted mobility and high sound quality offered by home theater in-a-box systems will enable consumer oriented home theater systems. Innovation and design development has resulted in manufacturers providing technologies such as 3D pass-through, audio return channel and 4K compatibility. Emergence of higher-end models with additional features such as USB connectivity, HDMI inputs, 5-disc platter and 1080i video resolution upscaling technologies will led to higher products penetration in the near future.

### Key insights from the report include:

- Home audio speakers and systems accounted for over 25% of the home audio equipment market size for 2014 and is anticipated to grow at more than 3% by 2022. Growth can be attributed to rising demand for Bluetooth devices.
- Home theater in-a-box segment revenue exceeded USD 4 billion for 2014, various features offered such as unrestricted mobility as well as superior sound quality will propel demand.
- Europe home audio equipment market size was USD 5.49 billion. The region will continue to lead via the rapid adoption for residential audio systems, considerable consumer demand, and high retail prices.
- China home audio equipment market size will drive the Asia Pacific revenue over the next few years. Regional growth is also a result of rapid electronics industry proliferation across South Korea, Japan, and India. Furthermore, rising adoption of sophisticated technologies paired with swift urbanization will catapult regional growth prospects.
- Major manufacturers include Sony, LG, Panasonic, Pioneer, Bose, Philips, Sharp, etc. The industry is characterized by participants focusing on new product development and innovative technologies to maintain competitive edge.

<https://www.gminsights.com/pressrelease/home-audio-equipment-market>





## OUR BUSINESS

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

All financial information included herein is based on our “Financial information of the Company” included on page 158 of this Red Herring Prospectus.

### OVERVIEW

Our Company was incorporated as Pulz Electronics Private Limited on July 25, 2005 with registrar of Companies, Kolkata, West Bengal as Private Limited Company under the provisions of the Companies Act, 1956 vide registration no. 104357 (CIN: U32109WB2005PTC104357) and a certificate of incorporation was issued by Registrar of Companies, Kolkata, West Bengal on July 25, 2005.

Our Company was converted into a public limited company and accordingly name of our Company was changed to Pulz Electronics Limited pursuant to a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on March 03, 2017. A fresh Certificate of Incorporation consequent upon conversion to public limited company was issued on March 22, 2017 issued by Registrar of Companies, Kolkata, West Bengal

We develop and manufacture high quality audio system and solution that capitalize on the emergence of new Co-Axial technology and line array based speaker systems for the cinema, Pro Audio, Studio and Home Audio Industries such as Co-Axial Surround Speaker, Hi Power and in wall Subwoofers, Hi Power Co-Axial Speakers etc. We have a manufacturing facilities base built over 40,000 sq ft. in the outskirts of Mumbai at Palghar, along with a large warehousing facility which is well stocked with off-the-shelf pulz products which enables ultra-fast turnaround times for projects that require equipment at a shorter notice.

We have a wide array of products specifically designed to cater to object based and channel based futuristic immersive audio formats like Dolby Atmos, DTSX or Auro 3D. A dedicated team of highly skilled professional worker which work relentlessly towards innovation, product development, precision assembly and stringent quality control. The Research and Development team at Pulz have created numerous path-breaking advances in audio technologies of which few examples are Isotop, Isowave cinema system and Amplifiers with DPT (Dynamic Power Tracking).

Our Company is engaged in manufacturing of sound systems, which predominantly includes speakers and amplifiers, from where it generates its major revenues. It also imports from China and sell certain special types of amplifiers. Further it also undertakes annual maintenance contract for audio systems. In general manufacturing constitutes 70-75%, trading 15-20% and AMC 5-10% of total revenue from operations. Our company operates in one segment i.e “Audio Systems” since we manufacture & trade in audio systems and related items.

Our Engineering team carefully analyzes the venues for both sound and picture perfection and design solutions which meet international guidelines. From system configuration to installation to final optimum calibration, all stages, are monitored by our team. This total approach aims at providing the best possible audio visual experience and has been instrumental in establishing venues equipped with Pulz as places of reference.

Our Company does have a warranty policy wherein any manufacturing defect is either rectified or product replaced, generally within a period of 12 months from date of dispatch. Further the company also enjoys warranty on components from its suppliers as back to back. Generally, in case of defect the company gets free replacement from suppliers.

Our Company also provides annual maintenance services to our customers for amplifiers and other equipments installed by us and we also trade in amplifiers, racks and other ancillary equipments. Below are the details of Audio Equipments manufactured by our Company:

Financial Year	Qty. Manufactured	Qty. Sold
2016-17	4,470	4,855
2015-16	4,747	4,360
2014-15	4,335	3,994
2013-14	3,076	3,133
2012-13	2,573	2,579

The Company has made below imports & export during the last five Financial Year which are as follows:

Sr. No.	Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1.	CIF Value of Import of material and components	356.71	352.26	421.10	457.80	155.82
2.	FOB Value of Exports	245.71	472.65	213.01	180.71	97.41

#### OUR COMPETITIVE STRENGTH

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:

##### Promoters and Management

Our Company is promoted by Mr. Anirvan Partha Ghose and Mr. Ramkrishna Krishnaraju Manden Kattil. They have vast experience in the field of Designing and Manufacturing of Audio Equipment, amplifiers, speaker system and marketing of products. Our company is dedicated towards quality of our process and products which have helped us to have long term relations with our customer and has also facilitated us to entrench with new customer.

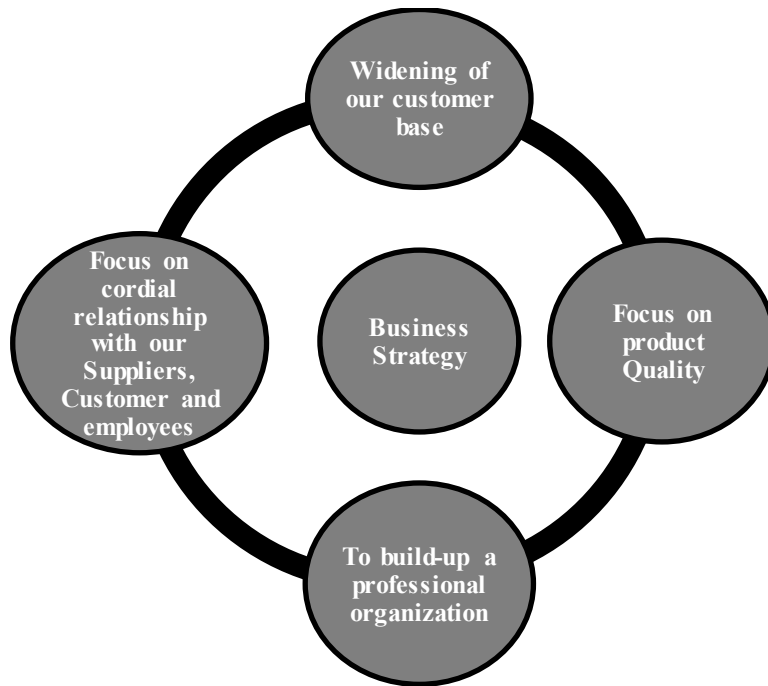
##### Range of Product Offerings

The Company has varieties of products namely Speakers, Amplifiers, Crossover Audio etc. We have wide array of products specifically designed to cater to object based futuristic immersive audio formats like Dolby Atmos, DTSX or Auro 3D.

##### Quality Assurance and Standard

We believe in providing our customers the best possible quality products. Since, our Company is dedicated towards quality products, processes and inputs; we get regular orders from our customers, as we are capable of meeting their quality standards. With OEMs from Germany, France, Italy and Spain, Pulz products strictly adhere to European standards of ruggedness, reliability, quality and performance.

**BUSINESS STRATEGY**



**Further widening of our customer base**

With the growing opportunities available in the market, we will endeavour to continue to grow our business by adding new customers in existing and new geographies and also new market segments & products. We are also making efforts and diagnosing the domestic markets for our own brands product. With the widening of the customer base for our own Brand products we will leveraging our marketing skills and relationships and focusing on total customer orientation.

**Focus on product Quality**

We believe in creating value for our customers be it in terms of quality or pricing. Quality is of primary importance and our focus is on improving the quality of our products through Research and Development.

**To build-up a professional organization**

We believe in transparency, commitment and coordination in our work, with our suppliers, customers, government authorities, banks etc. We have a blend of the experience and the sufficient staff for taking care of our day to day operations. We wish to make it more sound and strong in times to come.

**Focus on cordial relationship with our Suppliers, Customer and employees**

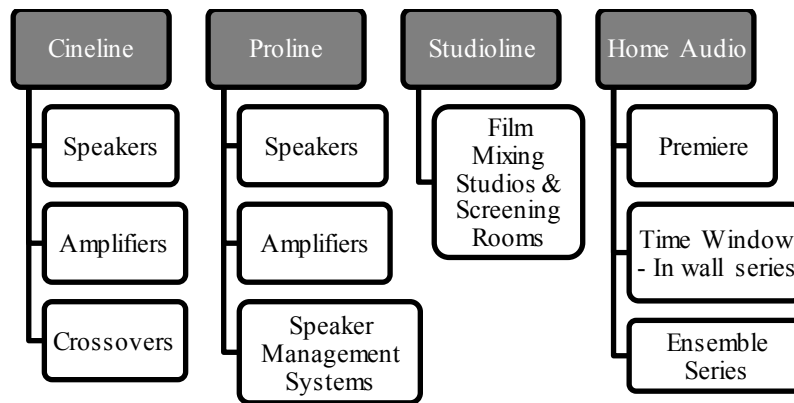
We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets.

**OUR CUSTOMER BASE INCLUDES SOME MAJOR NAMES AS FOLLOWS:**

For Cinline Products	For Proline Products
<ul style="list-style-type: none"> <li>• PVR Cinema</li> <li>• UFO Digital Cinema</li> <li>• Cinemax</li> <li>• Fun Cinemas</li> <li>• Disney UTV</li> <li>• Inox</li> <li>• Zee Tv</li> <li>• Big Cinemas</li> <li>• Carnival Cinemas</li> <li>• SRS Cinema</li> </ul>	<ul style="list-style-type: none"> <li>• Indian Army</li> <li>• Indian Navy</li> <li>• The Lalit</li> <li>• Airports Authority of India</li> <li>• Stained Glass</li> <li>• Defence Institute of Advanced Technology</li> <li>• NHPC</li> <li>• Relaince Anil DhirubhaiAmbani Group</li> <li>• Iskon</li> <li>• Hinduja Group</li> </ul>

**PRODUCT CATEGORIES**

**Our range of Products includes:**



**CINELINE PRODUCTS**

Our Cinline Products offer widest choice of technology from co-axial design to A VT technology. The wide ranges of products are designed to provide the perfect solution for different auditorium shapes and sizes. Today’s cinema sound reproduction is more demanding than ever due to uncompressed digital soundtracks and emerging new immersive audio formats. Our co-axial design provides the ultimate immersion.



**Our Cinline Products include:**



- **Speakers:** Cinema poses one of the most stringent demands on sound – intelligibility, dynamics, immersion and finally reliability. Pulz loudspeakers are designed keeping all these characteristics well into consideration. These types of Speakers include:
  - **Platinum:** The Platinum series of products feature state-of-the-art refinement in audio. These are flagship products and are rigorously researched for best of their sound quality and are ruthlessly put through endurance tests to meet any kind of challenging applications.

- **Premium:** Superb functionality and outstanding reliability are the hallmarks of the Premium series of products. Premium products are well above the Classic products in terms of sophistication and deliverance.
- **Classic:** The Classic bracket of products is a great blend of reliability and economy. Many of the products here have made it into this iconic band of products because they are truly classic and have been in production for more than a couple of decades. The technology behind these products has stood the test of time and continues to mesmerize audiences.




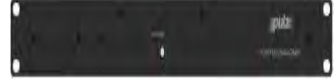
 <p>Isowave 9060 D2 Platinum High Resolution 3-way Cinema Screen Speaker System</p>	 <p>Pulz M2 Premium High Resolution 2-way Cinema Screen Speaker System</p>	 <p>Pulz M6 Classic 3-Way Cinema Speaker System</p>
 <p>Isowave 9060 D4 Platinum High Resolution 3-way Cinema Screen Speaker System</p>	 <p>Pulz M5 Premium High Resolution 3-way Cinema Screen Speaker System</p>	 <p>Pulz S12 Classic Cinema Surround Speaker System</p>

➤ **Amplifiers:** From mono to multichannel, cinema sound has gone through a metamorphosis. Movies of today have a large amount of audio elements, and very high dynamic range. Movie makers are using sound as an essential tool to add drama and life to their creations. This new craft of movie making has changed the amplifier design dramatically and has added newer challenges to the specifications. Our latest amplifiers provide unrestricted power to faithfully reproduce the intent of the movie maker.

 <p>Pulz PMX4810 Classic 4 Channel Professional Power Amplifier</p>	 <p>PZ4820 Classic 4 Channel Power Amplifier</p>
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 <p>Pulz PZ 2800 Premium 2-Channel Power Amplifier</p>	 <p>Pulz RS-900 Classic 2-Channel Power Amplifier</p>
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- **Crossover:** A crossover is an electronics device that takes a single input signal and creates two or three output signals consisting of separated bands of high, mid, and low-range frequencies. The different bands of frequencies feed the different speakers, or “drivers,” in a sound system: tweeters, woofers, and subwoofers.

 <p>Pulz PZ Isowave XO47 Bi-amp Cinema Active Crossover</p>	 <p>Pulz PZ Isowave XO410 Tri-amp Cinema Active Crossover</p>
 <p>Pulz XO47 Active Cinema Crossover</p>	 <p>Pulz XO99 Bass Management System</p>

## PROLINE

Pro sound is one of the most challenging arena where the power, accuracy and reliability are paramount. Our proline products are created to meet these demanding requirements. High reliability and fantastic value-for-money proposition makes us a very compelling solution by itself. Added specialties like unmatched levels of Speech Intelligibility in some of our products make us clear winners in highly reverberant spaces. Our range of products has solutions for every venue, from classrooms, to clubs, places of worship and multi-purpose auditoriums. Our Proline products include:

- **Speakers:** Our speakers are suitable for both touring and fixed installs and an extensive product range ensures that we can cater to any budget and size of the project. Our loudspeakers do perform very well with our amplifiers as they have been developed so. With a Pulz system you are assured both reliability and quality. Types of Proline Speakers are:
  - **Platinum:** Our Platinum series of products feature state-of-the-art refinement in audio. These products are rigorously researched for best of their sound quality and are ruthlessly put through grueling endurance tests for their reliability. Since we have corresponding Platinum series products in all the other product verticals, most of these products have great cross-compatibility and perform outstanding in company with each other.
  - **Premium:** Superb functionality and outstanding reliability are the hallmarks of the Premium series of products. Premium products are well above the Classic products in terms of sophistication and deliverance. When the requirements are demanding for a no-compromise solution then the Premium series is ideal for you. Since we have corresponding Premium products in other product verticals too, partnering them together ensures great performance and reliability standards.

- Classic:** The Classic bracket of products is a great blend of reliability and economy. Many of the products here have made it into this iconic band of products because they are truly classic and have been in production for more than a couple of decades. The technology behind these products has stood the test of time and continues to mesmerize audiences.

 <p>Pulz Sub-218 Subwoofer With SIC TM Technology</p>	 <p>Pulz Quartet Platinum Line Array System</p>
 <p>Pulz SUB210 High Performance Subwoofer Array</p>	 <p>Pulz SB-600P Classic Subwoofer</p>

- Amplifiers:** Our Company has a long-standing history of designing and manufacturing great amplifiers. These amplifiers can pass even the most critical endurance tests and satisfy the most power hungry applications. Best premium quality electronic components with proven durability are used during manufacturing. The critical components like the power supply, transistors etc. are thoroughly selected to ensure the highest sonic quality and durability.

 <p>Pulz AD41300 Premium 4 Channel Power Amplifier</p>	 <p>Pulz HD+14000Q Platinum Power Amplifier</p>
 <p>Pulz PMX4810 Classic 4 Channel Professional Power Amplifier</p>	 <p>Pulz PZ4820 Classic 4 Channel Power Amplifier</p>

- **Speaker Management System:** Speaker Management System is essentially a active digital crossover. An active crossover is needed when using different cabinets. The active crossover splits the frequency and assures that each speaker is just playing in its optimum frequency range.



## STUDIOLINE

Our studio speakers and amplifiers have been powering studios for more than decade now. They are designed to provide accurate monitoring for perfect judgment of the tracks. Our co-axial design provides uniform dispersion which is essential for immersive audio. We employ skilled engineers and technicians who design and calibrate the best multiplexes and recording studios. Our engineers calibrate the studios and screenings rooms to ensure perfect translation of the content in theatres.

We provide Film Mixing Studios and screening rooms facilities according to the needs of the clients in our Studioline Products.

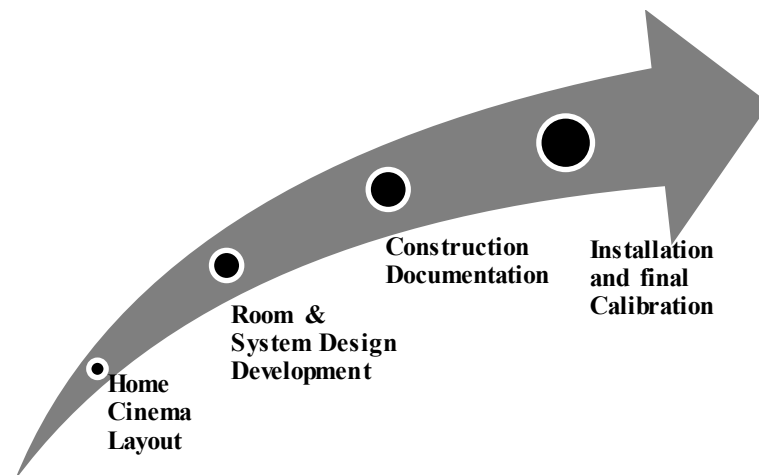
## HOME AUDIO

Home Audio Systems are audio electronics intended for home entertainment use, such as shelf stereos and surround sound receivers.

### Our Home Audio Products line includes:

- **Premiere:** Our premiere series of home audio systems is not only a series of audio products from same design philosophy as those used in critical screening rooms, but it also comes with a wide array of expert technical advice and design on building the entire home theatre and finally the installation and calibration of the audio system. We employ skilled engineers and technicians who design and calibrate the best multiplexes, recording studios and screening rooms. They have created hundreds of such theaters, ranging from small intimate spaces to large environments that can accommodate the entertainment activities of even the most demanding host.

**We undertake following steps to implement the Premiere Home Theatre:**



- **Home Cinema Layout:** When a new project is initiated, our team reviews the client's requirements and allocates space for the theater. We define circulation patterns and spatial



relationships within the theater environment. Finally the client is presented with a layout for the floor plan of the theater as well as the elevations.

- **Room & System Design Development:** As the layout becomes defined, our engineers work with the architect and/or acoustic designer of the project for coordinating our design with their plans. At this stage, the final equipment configuration is finalized. Once approved by the client, it serves as the framework for the next phase, which is the construction documentation.
- **Construction Documentation:** At this stage we provide a complete set of plans and elevation drawings, sight-line study to optimize screen viewing, equipment configuration along with placement and angling of speakers, wiring diagrams etc. to facilitate the construction team.
- **Installation and final Calibration:** Our engineers finally carry out the audio equipment installation as per international norms. The system is finally calibrated by the same engineers who calibrate theatres and screening rooms for Film Premieres ensuring that you get the same experience.

**Following products are used for implementing the Premiere Home Theatre:**



- **Time window – In –wall Series:** Our Time Window speaker series are a radical departure from conventional speaker designs. The Time Window Series can compete sonically with the uber-high-end floor-standing audiophile speakers. The In-wall design allows the speakers to be architecturally highlighted or be invisible. Pictures can be printed on the front grill making the speakers appear like a painting on the wall. Today's immersive audio formats require multiple speakers to be placed around the room. The cosmetic advantage of these speakers is obvious to the eye, as they help reduce what architects call "wall acne."



**Features of Time window series are as follows:**

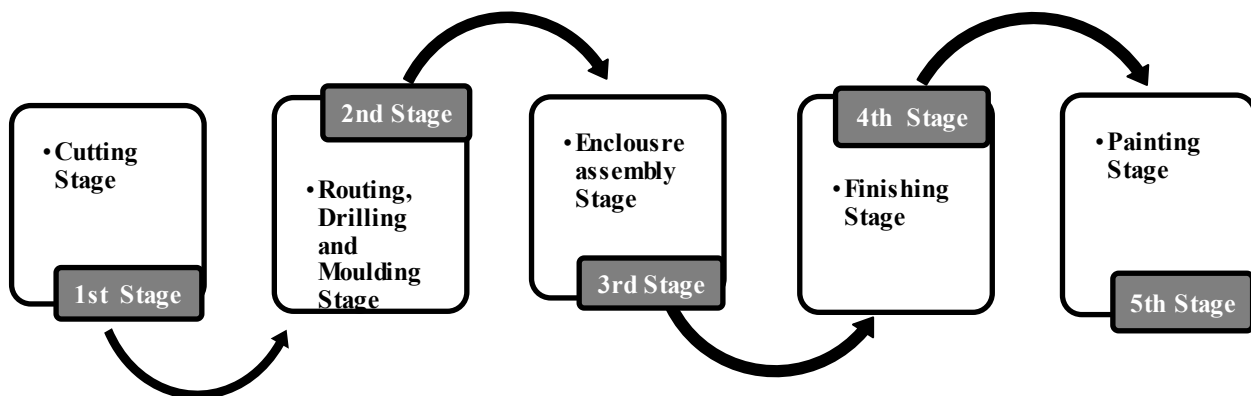
- Ultra-thin in-wall design
- Planar HF drivers
- Studio grade mid bass drivers
- Picture print on front face

- **Ensemble Series:** Our Ensemble series speakers are specially designed and engineered for domestic installations in semi reverberant rooms, like most living rooms. The Ensemble series comes in a very high gloss piano finish or a natural wood finish which blends elegantly with most living room interiors.



**PROCESS FLOW CHART**

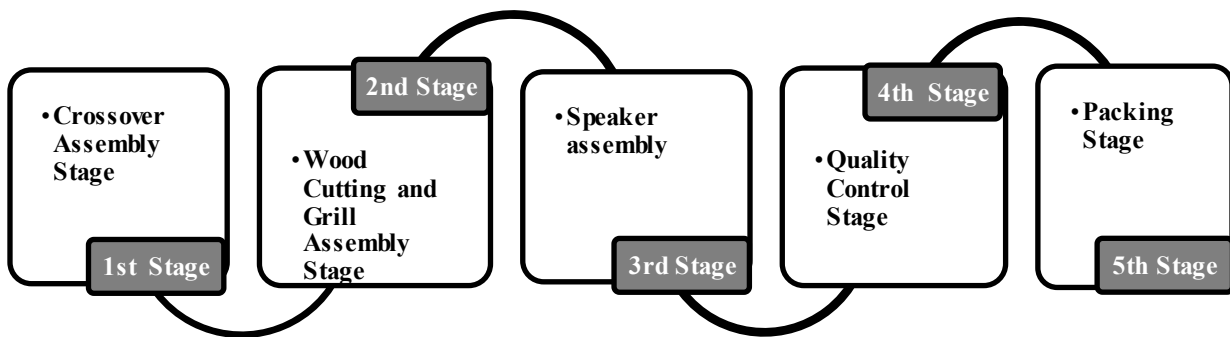
**1. LOUDSPEAKER MANUFACTURING PROCESS:**



- **Cutting Stage** – This is the initial stage of loudspeaker manufacturing process. At this stage plywood or MDF Sheet is cut into required shapes and sizes according to different models.

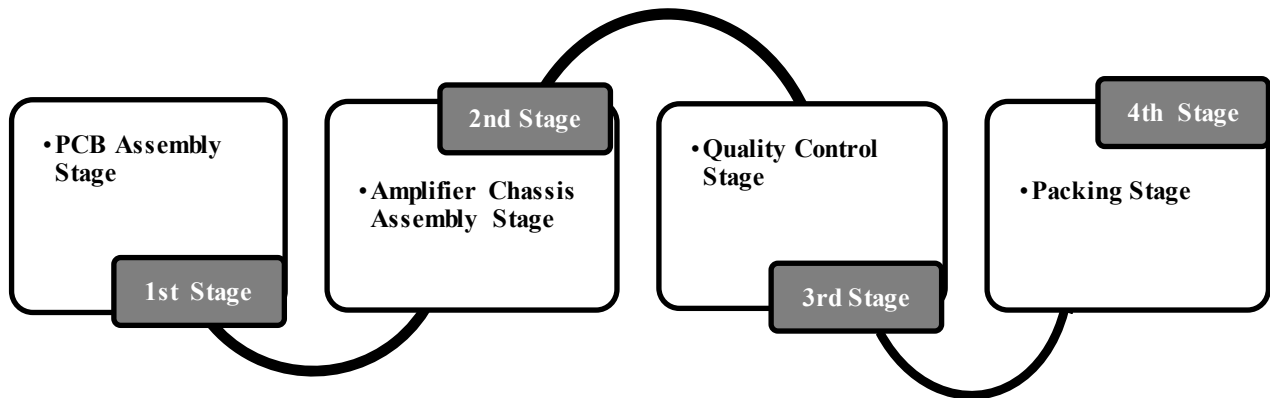
- **Routing, Drilling and Moulding Stage**– At this stage, panels are cut by cutting machines and then undergo routing Process, drilling process and routing process.
- **Enclosure assembly Stage**-Finished panels are then assembled together to form an enclosure by the process of gluing and stapling.
- **Finishing Stage** - Assembled boxes then undergo shaping, filing and sanding.
- **Painting Stage** - Finished enclosures are painted here with step by step process of Primer, Base Coat and Final Copy

## 2. SPEAKER MANUFACTURING PROCESS:



- **Crossover Assembly Stage** - At this stage the electronic components are assembled together on a board as per design provided to form a passive crossover.
- **Wool Cutting and Grill Assembly Stage** - Damping material is cut into the shape and size of each loudspeaker model. Acoustically transparent fabric is applied on the wooden or MS grill frame to protect speaker from environment.
- **Speaker assembly Stage**- Loudspeaker components such as Driver, Passive Crossover, Terminal Cup, Handles, Nuts, Plywood etc are assembled together step by step to form a complete loudspeaker.
- **Quality Control Stage** - Quality Control is done in two stages for loudspeaker system. i.e. Testing of Drivers and Testing of Loudspeaker after assembly.
- **Packing Stage** - Once the system has undergone quality control, the speakers are packed and are kept ready for dispatch.

### 3. AMPLIFIER MANUFACTURING PROCESS:



- **PCB Assembly Stage** - At this stage all the electronic components are assembled onto the printed circuit board by the process of cleaning, trimming of components leads, fluxing and soldering and few are mounted with screw and nuts.
- **Amplifier Chassis Assembly Stage** - At this stage the amplifier chassis is fitted by assembling all the panels. Assembled PCB's like Power supply, Input module and power amplifier module are the assembled together along with transformer to build a complete amplifier.
- **Quality Control Stage** - At this stage the individual modules and assembled amplifiers undergo quality.
- **Packing Stage**- At this stage amplifiers are packed after final testing and kept ready for dispatch.

### PRODUCT EXPORTED TO COUNTRIES



## BREIF FINANCIALS OF OUR COMPANY

(Rs. In Lacs)

PARTICULARS	As at June 30, 2017	As on March 31 <sup>st</sup>				
		2017	2016	2015	2014	2013
Share Capital	200.00	200.00	50.00	50.00	50.00	50.00
Reserve & Surplus	223.29	182.91	198.89	168.78	145.41	134.96
Net Worth	423.29	382.91	248.89	218.78	195.41	184.96
Profit after Tax	40.38	134.03	30.10	0.90	10.45	20.78
Return on Net Worth (%)	9.54	35.00	12.10%	0.41%	5.35%	11.23%
Net Asset Value per Share (in Rs.)	21.16	19.15	12.44	10.94	9.77	9.25

## BREAK-UP OF REVENUE

(Rs. In Lacs)

Particulars	As at June 30, 2017	As on March 31 <sup>st</sup>				
		2017	2016	2015	2014	2013
Goods Manufactured	263.14	1144.75	956.62	961.09	673.26	380.71
Goods Traded	88.89	164.55	241.15	152.19	174.53	92.96
Sale of Services	23.09	66.79	95.57	62.08	70.77	52.55
Other Income	0.44	0.49	5.08	2.10	1.60	1.71
<b>Total</b>	<b>375.56</b>	<b>1376.58</b>	<b>1,298.42</b>	<b>1,177.46</b>	<b>920.15</b>	<b>527.93</b>

## HUMAN RESOURCE

Human resource plays an essential role in developing a company's strategy as well as handling the employee centered activities of an organization. We have 84 full time employees as on September 30, 2017. Our man power is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

## DEPARTMENT WISE EMPLOYEE BREAK - UP

Department	Number of Employees
Finance & Accounts	4
Sales & Marketing	5
Administration	11
Production & Store	5
Labour & worker	44
Company Secretary	1
Engineering and Design	14
<b>TOTAL</b>	<b>84</b>

## COMPETITION

We face substantial competition for our products from other brands in domestic market. Our competition varies for our products and regions. We compete with other brands on the basis of product range, product quality, and product price including factors, based on reputation, regional needs, and customer convenience. While these factors are key parameters in client's decisions matrix in purchasing, product range, product quality and product price is often the deciding factor in most deals. We believe that the principal factors affecting competition in our business include customer relationships, reputation, the abilities of employees, market focus and the relative quality and price.

## MARKETING

The efficiency of the marketing and sales network is critical success factor of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. Our marketing team along with our promoters through their experience and good rapport with customers owing to timely and quality delivery of service plays an instrumental role in creating and expanding our customer network. In order to maintain good relation with our customers, our promoters and our marketing team regularly interacts with them and focuses on gaining an insight into the additional needs of our customers.

## COLLABORATION

We have not entered into any technical or other collaboration.

## 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:

(Rs. in Lakhs)

Sr. No.	Policy No.	Name of the Insurer	Description of the Policy	Address of the Properties where the insured assets are situated	Coverage (In Rs. Lakhs)	Date of Expiry	Premium P.A. (In Rs. Lakhs)
1.	OG-17-1904-4001-00000765	Bajaj Allianz General Insurance Company Ltd.	Standard Fire and Special Perils	Kailashpati 2 <sup>nd</sup> Floor, Plot No. 10A, Veera Desai Road, Andheri (W), Mumbai-400053.	471.75	October 27, 2017	0.29
2.	OG-16-1904-9931-00000117	Bajaj Allianz General Insurance Company Ltd.	Acoustical Measurement System	Kailashpati 2 <sup>nd</sup> Floor, Plot No. 10A, Veera Desai Road, Andheri (W), Mumbai-400053.	1000.00	January 13, 2018	1.03
3.	OG-18-1904-4010-	Bajaj Allianz General Insurance Company Ltd.	Burglary Insurance	Kailashpati 2 <sup>nd</sup> Floor, Plot No. 10A, Veera Desai Road, Andheri (W), Mumbai-400053.	667.15	June 10, 2018	0.84

	0000051			Plot No. 5, G. No. 359, Village – Nandore, Taluka – Palghar – District – Thane. 46A, Satish Mukherjee Road, Kolkata-700026.			
4.	OG-18-1904-4001-00000263	Bajaj Allianz General Insurance Company Ltd.	Standard Fire and Perils Insurance	Kailashpati 2 <sup>nd</sup> Floor, Plot No. 10A, Veera Desai Road, Andheri (W), Mumbai-400053. Plot No. 5, G. No. 359, Village – Nandore, Taluka – Palghar – District – Thane. 46A, Satish Mukherjee Road, Kolkata-700026.	608.20	June 10, 2018	0.86
5.	OG-18-1904-1005-0000011	Bajaj Allianz General Insurance Company Ltd.	Open Policy-Inland Transit	Plot No. 5, G. No. 359, Village – Nandore, Taluka – Palghar – District – Thane.	1100.00	May 21, 2018	1.14

#### LAND & PROPERTIES

The following table sets for the significant properties owned by us:

Sr. No.	Location of the Property	Name of the Seller	Name of the Buyer	Consideration (In Rs. Lakhs)	Usage	Title
1.	Flat No. 111, First Floor, Guru Nanak Apartment, Village – Palghar, Taluka – Taluka – Palghar, District – Thane.	Mr. Sidharth Mulchand Talati	M/s Pulz Electronics Private Limited	Rs. 8.75	Rent Free Accommodation to Supervisor	Freehold
2.	Plot No. 26, Genesis Industrial Complex, Village – Kolagaon, Taluka – Palghar, District - Thane	M/s Jignesh Industrial Land Developers Pvt. Ltd.	M/s Pulz Electronics Private Limited	Rs. 59.29	Vacant	Freehold
3.	Plot No. 5, G. No. 359, Village – Nandore, Taluka – Palghar – District – Thane.	M/s Neminath Developers	M/s Pulz Electronics Private Limited	Rs. 75.00	Factory Use	Mortgaged to Yes Bank Limited for Cash Credit facility





**Properties taken on lease/Rent/License by the Company**

Sr. No.	Location of the Property	Agreement date	Licensor/Lessor	Consideration	Period	
					From	To
1.	Plot No. 10A, Kailashpati, 2 <sup>nd</sup> Floor, Veera Desai Road, Andheri (West), Mumbai-400053.	April 01, 2017	R & S Electronics (Partnership Firm)	Rs. 83,333/- p.m.	April 01, 2017	March 31, 2020
2.	46A, Satish Mukherjee Road, Kolkata-700026.	March 01, 2015	Dr. Parthasarathy Ghose	Rs. 6,000/- p.m.	March 01, 2015	November 01, 2017
3.	Plot No. 6, Novel Estate, Gut No. 359, H.No. P, Near Sahashtraphana Industrial Complex, Village Nandore, Palghar (East), Taluka Palghar, Dist. Thane-401404 with Gala No. 1, 2, 3, 4 & 5	April 01, 2016	R & S Electronics Private Limited.	Rs. 60,000/- p.m.	April 01, 2016	March 31, 2019

None of the above lease/Rent agreements are registered under Stamp Act.




**INTELLECTUAL PROPERTY**

In order to protect our intellectual property rights, we have applied for the registration of below mentioned trademark with the trademark Registry:-

Sr. No.	Logo	Date of Application/Approval	Application No./Trademark No.	Class	Current Status
1		September 15, 2006	1487506	9	Registered
2		September 15, 2006	1487507	16	Registered
3		September 15, 2006	1487508	41	Registered
4		September 15, 2006	1487509	41	Registered
5	<b>PULZ</b>	July 28, 2010	1999997	9	Registered
6	<b>TIME WINDOW</b>	August 16, 2010	2009176	9	Registered
7	<b>ISOTOP</b>	December 07, 2009	1892499	9	Registered





8		November 04, 2016	3401972	9	Objected
9		November 04, 2016	3401973	37	Registered
10		November 04, 2016	3401974	42	Objected

We have applied for registration of our logo application is as under:



under the Copyright Act, 1957. The Details of the

Sr. no.	Name of the Applicant	Nature of Applicant's Interest	Class & Description of the Work	Title of Work	Registration No. and Date of Registration	Diary No.	Whether the work is published or unpublished	Date of Application
1.	M/s Pulz Electronics Private Limited.	Author	Literary	Pulz Cinema Speaker System	L-37297/2011 08/02/2011	2888/2010 -CO/L	Unpublished	14/12/2009

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of various sector-specific laws and regulations in India, which are applicable to our Company. The information below has been obtained from publications in the public domain. It may not be exhaustive, and is only intended to provide general information and is neither designed nor intended to substitute for professional legal advice.*

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

*The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “Government and Other Statutory Approvals” beginning on page 255 of this Red Herring Prospectus.*

### **RELATED TO OUR BUSINESS**

#### ***Factories Act, 1948***

This Act came into force on April 01, 1949 and extends to the whole of India, including Jammu and Kashmir. It has been enacted to regulate working conditions in factories and to ensure the provision of the basic minimum requirements for safety, health and welfare of the workers as well as to regulate the working hours, leave, holidays, employment of children, women, etc. It ensures annual leaves with wages, provides additional protection from hazardous processes, additional protection to women workers and prohibition of employment of children.

#### ***The Payment of Wages Act, 1936***

The Payment of Wages Act, 1936 as amended (the “**Payment of Wages Act**”) has been enacted to regulate the payment of wages in a particular form at regular intervals without unauthorised deductions and to ensure a speedy and effective remedy to employees against illegal deductions and / or unjustified delay caused in paying wages. It applies to the persons employed in a factory, industrial or other establishment, whether directly or indirectly, through a sub-contractor and provides for the imposition of fines and deductions and lays down wage periods. The Payment of Wages Act is applicable to factories and industrial or other establishments where the monthly wages payable are less than Rs. 6,500 per month.

#### ***The Payment of Bonus Act, 1965***

The Payment of Bonus Act, 1965 as amended (the “**Payment of Bonus Act**”) was enacted to provide for the payment of bonus to persons employed in establishments where 20 or more persons are employed on any day during an accounting year. The Payment of Bonus Act ensures that a minimum annual bonus is payable to every employee regardless of whether the employer any allocable surplus in the accounting year in which the bonus is payable. Under the Payment of Bonus Act, every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or Rs. 100, whichever is higher. Contravention of the provisions of the Payment of Bonus Act by a company is punishable with imprisonment for a term of up to six months or a fine of up to Rs. 1,000 or both, against persons in charge of, and responsible to the company for the conduct of the business of the company at the time of contravention, as well as the company.

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

The Payment of Gratuity Act, 1972 as amended (the “**Payment of Gratuity Act**”) provides for payment of gratuity to an employee at the time of termination of services. Payment of Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in establishments in which ten or more persons are employed or were employed on any day of the preceding 12 months; and as the Central Government may, by notification, specify. Gratuity under the Payment of Gratuity Act, is payable to an employee after he has rendered his services for a period not less than five years: (a) on his / her superannuation; (b) on his / her retirement or resignation; or (c) on his / her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply). Under the Payment of Gratuity Act, the maximum gratuity payable may not exceed Rs. 1,000,000.

### ***The Minimum Wages Act, 1948***

Under the Minimum Wages Act, 1948 (“**Minimum Wages Act**”) every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the Minimum Wages Act, in respect of which minimum rates of wages have been fixed or revised under the Minimum Wages Act.

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

The Child Labour (Prohibition and Regulation) Act, 1986, (“**CLPRA Act**”) provides for prohibiting engagement of children below 14 years in factories, mines and hazardous employments and regulates the conditions of their employment in certain other employments. The CLPRA Act aims to regulate the number of hours, period of work and holidays to be given to child labourers. It specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The CLPRA Act also provides for health and safety measures to be complied with by the employer.

### ***Shops and Commercial Establishments Acts***

The establishment and operation of shops and commercial establishments is regulated by state specific shops and establishments legislations. Hence, we are subject to the provisions of the Andhra Pradesh Shops and Establishments Act, 1988, the Karnataka Shops and Commercial Establishments Act, 1961, the Delhi Shops and Establishments Act, 1954, the Maharashtra Shops and Establishments Act, 1948 and the rules prescribed thereunder. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for registration requirements, fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

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

The Contract Labour (Regulation and Abolition) Act, 1970 (“**CLRA Act**”) regulates the employment of contract labour in certain establishments and to provides for its abolition in certain cases. The CLRA Act applies to every establishment in which 20 or more workmen are employed or were employed in the preceding 12 months as contract labour and to every contractor who employs or employed on any day during the last 12 months, 20 workmen or more. The CLRA Act prescribes measures to be undertaken by the principal employer for the welfare of contract labourers. The CLRA Act requires the principal employer of the concerned establishment to make an application to the registering officer appointed by the appropriate government under the CLRA Act for registration of the establishment and obtain registration within the prescribed time period, failing which contract labour cannot be employed in the particular establishment. Likewise, every contractor to whom the CLRA Act applies, is required to

obtain a license and not to undertake or execute any work through contract labour, except under and in accordance with such license. The CLRA Act provides for the establishment of canteens, restrooms, first aid facility and provision for drinking water by the contractor within the specified time period and on failure on part of the contractor to provide such facility, the principal employer is responsible to make provision for the same. The contravention of the provisions of the CLRA and the rules and regulations thereunder is punishable with imprisonment up to three months and in case of a continuing contravention with an additional fine which may extend to ` 1,000 for every day during which the contravention continues.

#### ***The Employees' Provident Fund and Miscellaneous Provisions Act, 1952***

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“**EPF Act**”) provides for the institution of provident fund, pension fund and deposit linked insurance funds for the benefit of eligible employees in factories, notified establishments and establishment which are factories engaged in certain specified industries which employ more than 20 persons. A liability is placed on the employers to make certain contributions to the funds mentioned above after obtaining the necessary registrations. The current rate of contribution is 12 % of the wage of the employee including dearness allowance and retaining allowance, if any. This contribution also attracts an interest, currently 12 per cent p.a., and the accumulated amount is paid on retirement to the employee along with the interest that has accrued. The EPF Act requires all such establishments to be registered with the Regional Provident Fund Commissioner and requires the employers and their employees to contribute in equal proportion to the employees' provident fund, the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the Regional Provident Fund Commissioner.

#### ***The Employees' State Insurance Act, 1948***

The Employees' State Insurance Act, 1948, as amended (“**ESI Act**”) applies to all factories that are non seasonal in nature and establishments that are notified by the appropriate government in consultation with the Central Government from time to time. The ESI Act provides for a need based social insurance scheme under which the employer and the employee must contribute certain percentage of the monthly wage as prescribed by the Central Government from time to time to the Employees State Insurance Corporation established under the ESI Act. In case the contribution is not paid by the principal employer as per the provisions of the ESI Act, the principal employer shall be liable to pay simple interest at the rate of 12 % p.a or at such higher rate as may be specified in the ESI Act and the rules thereunder till the date of its actual payment. The ESI Act provides for benefits to employees in case of sickness, maternity and employment injury. However, where an employee is covered under the ESI scheme, (a) compensation under the Workmen's Compensation Act, 1923 cannot be claimed in respect of employment injury; and (b) benefits under the Maternity Benefits Act, 1961 cannot be claimed. In addition, the employer is also required to register himself under the ESI Act and maintain prescribed records and registers in addition to filing of forms with the concerned authorities.

#### ***The Employees Compensation Act, 1923***

The Employees Compensation Act, 1923 (“**EC Act**”), provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of receiving a notice.

## **INTELLECTUAL PROPERTY LAWS**

### ***Trademarks Act, 1999***

A trademark is used in relation to goods so as to indicate a connection in the course of trade between the goods and a person having the right as proprietor or user to use the mark. The Trademarks Act, 1999, (Trademarks Act) governs the registration, acquisition, transfer and infringement of trademarks and remedies available to a registered proprietor or user of a trademark. Registration is valid for a period of 10 years but can be renewed in accordance with the specified procedure.

As per the Trademarks (Amendment) Bill, 2009, Registrar of Trade Marks is empowered to deal with international applications originating from India as well as those received from the International Bureau and maintain a record of international registrations. It also removes the discretion of the Registrar to extend the time.

### ***Copyrights Act, 1957 (Copyright)***

The Copyrights Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act also provides for criminal remedies, including imprisonment of the accused, imposition of fines and seizure of infringing copies.

## **IN GENERAL**

### ***Income-Tax Act, 1961***

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses.

### ***Customs Act, 1962***

The Customs Act came into force in India with effect from February 01, 1963. Customs duty is a duty or tax, which is levied by Central government on import of goods into and export of goods from, India. Any Company requiring to import or export any goods is first required to get itself registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administered by Central Board of Excise and Customs under the Ministry of Finance. The said Act contains provision for levying the custom duty on imported goods, export goods, goods which are not cleared, goods warehoused or transhipped within 30 days after unloading etc. It also provides for storage of imported goods in warehouses pending clearance, for goods in transit etc, subject to prescribed conditions.

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

Excise duty imposes a liability on a manufacturer to pay excise duty on production or manufacture of goods in India. The Central Excise Act, 1944 is the principal legislation in this respect, which provides for the levy and collection of excise and also prescribes procedures for clearances from factory once the goods have been manufactured etc. Additionally, the Central Excise Tariff Act, 1985 prescribes the rates of excise duties for various goods

### ***Service Tax Act***

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

### ***Value Added Tax (VAT)***

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

### ***The Goods and Services Tax Act, 2017 (GST)***

GST is a single tax on the supply of goods and services, right from the manufacturer to the consumer. Credits of input taxes paid at each stage will be available in the subsequent stage of value addition, which makes GST essentially a tax only on value addition at each stage. The final consumer will thus bear only the GST charged by the last dealer in the supply chain, with set-off benefits at all the previous stages.

### ***The Companies Act, 1956***

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act 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 Companies 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.



### *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 notified 100 Sections and on March 26, 2014 notified 183 Sections of the Companies Act, 2013. The same are applicable from September 12, 2013 and April 01, 2014, respectively. The Ministry of Corporate Affairs has issued the rules and new improved e-forms complementary to the Act establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Act.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as Pulz Electronics Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated July 25, 2005 Kolkata, West Bengal. Subsequently, our Company was converted into public limited company pursuant to which the name of our Company was changed to “Pulz Electronics Limited” vide fresh certificate of incorporation dated March 22, 2017.

The registered office of our company is situated at 46, Satish Mukherjee Road, Kolkata-700026, West Bengal, India.

Corporate Identification number: U32109WB2005PLC104357

For information on the Company’s activities, market, growth, technology and managerial competence, please see the chapters “Our Management”, “Our Business” and “Our Industry” beginning on pages 130, 104 and 98 respectively of this Red Herring Prospectus.

### KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Date	Event
2005	Our company was incorporated as Pulz Electronics Private Limited
2017	Our Company was converted into Public Limited Company vide fresh certificate of Incorporation dated March 22, 2017.

### OUR MAIN OBJECTS

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

- To carry on the business of Manufacturing and/or dealing in electronics equipments, audio amplifiers, digital and logic circuits, speaker systems, associated equipments, servicing, maintenance for all kind of electronic equipments.

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Since incorporation, the following changes have been made to our Memorandum of Association:

Date of Shareholders’ Approval	Amendment
February 13, 2017	The Initial Authorized Share Capital of Rs. 50,00,000 (Rupees Fifty Lacs only) consisting of 5,00,000 Equity Shares of face value of Rs. 10/- each was increased to Rs. 5,00,00,000 (Rupees Five Crores only) consisting of 50,00,000 Equity Shares of Face Value Rs. 10/- each.
March 03, 2017	The Main Objects of the Company were changed pursuant to Companies Act, 2013.
March 03, 2017	Conversion of private company into public company and subsequent change of name from ‘Pulz Electronics Private Limited’ to ‘Pulz Electronics Limited’.

### HOLDING COMPANY OF OUR COMPANY

Our Company has no holding company as on the date of filing of this Red Herring Prospectus.

### SUBSIDIARY COMPANY OF OUR COMPANY

Except Peerless Speakers Private Limited there is no other subsidiary company as on the date of filing of this Red Herring Prospectus.



## INJUNCTIONS OR RESTRAINING ORDERS

The Company is not operating under any injunction or restraining order.

## DETAILS OF PAST PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled “Financial Statements” beginning on page 158 of this Red Herring Prospectus.

## SHAREHOLDERS AGREEMENTS

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

## OTHER AGREEMENTS

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business and Agreement dated February 13, 2017 with Managing Director for his appointment as on the date of filing of this Red Herring Prospectus.

## RESTRICTIVE COVENANTS IN LOAN AGREEMENTS

Our Company has renewed Credit facilities from Yes Bank Limited *vide* Sanction letter dated June 08, 2017. The Bank has issued us No Objection Certificate in relation to our IPO *vide* letter dated October 23, 2017:

Following are certain covenants given by Yes Bank for sanction of credit facilities of Rs. 2.50 Crores:

- i. The company to take prior permission from bank prior to launch of IPO
- ii. The Borrower shall use the funds for specified purpose only.

### Details of borrowing and charges of Yes Bank Limited:

Date of Creation of Charge	Date of Last Modification of Charge	Charge amount secured, Interest & Tenure (In. Rs. Lakhs)	Charge Holder	Facility	Security
June 28, 2017	August 03, 2017	Rs. 250.00	Yes Bank Limited	Credit Facility	<p>Exclusive Charge on current Asset &amp; Moveable Fixed asset of Company</p> <p><b><u>Equitable Mortgage of:</u></b></p> <p>1. Plot No. 5, Arihant Industrial Estate, Novel Estate, Gut No. 359, Village Nandore, Taluka – Palghar (West)- 401404, District – Thane.</p>

#### **UNSECURED LOANS**

Our Company does not have any unsecured loans as on March 31, 2017 and also as on the date of filing of this Red Herring Prospectus.

#### **STRATEGIC/ FINANCIAL PARTNERS**

Our Company does not have any strategic/financial partner as on the date of filing of this Red Herring Prospectus.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS**

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Red Herring Prospectus.

#### **NUMBER OF SHAREHOLDERS**

Our Company has 7 (Seven) shareholders on date of this Red Herring Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors, subject to provisions of Section 149 of Companies Act, 2013. We currently have five Directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Red Herring Prospectus other than Directorship in our Company:

Sr. No	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment	Other Directorships
1.	<p><b>Name:</b> Mr. Anirvan Partha Ghose</p> <p><b>Age:</b> 43 years</p> <p><b>Father's Name:</b> Mr. Partha Hrishikesh Ghose</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> C-304-305, Meghdoot, Lokhandwala Back Road, Opp. Joggers Park, Andheri (West), Mumbai 400053</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> 5 years</p> <p><b>DIN:</b> 00188496</p>	<p>Initial Appointment as Director on July 25, 2005</p> <p>Appointed as Managing Director on February 13, 2017.</p>	<ol style="list-style-type: none"> <li>1. Fiesta Entertainment Private Limited</li> <li>2. R And S (India) Electronics Private Limited</li> <li>3. Elecom Fiesta Entertainment Private Limited</li> <li>4. Peerless Speakers Private Limited</li> </ol>
2.	<p><b>Name:</b> Mr. Ramakrishnan Krishnaraju Manden Kattil</p> <p><b>Age:</b> 69 years</p> <p><b>Father's Name:</b> Mr. Krishnaraju Manden Kattil</p> <p><b>Designation:</b> Executive Director</p> <p><b>Address:</b> 5, Loge Bonheur, MMC Cross Road No.1 Mahim - West Mumbai 400016, Maharashtra, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Liable to Retire by rotation</p> <p><b>DIN:</b>00194891</p>	<p>Initial Appointment as Director on July 25, 2005</p>	<ol style="list-style-type: none"> <li>1. Linear Electronics Private Limited</li> <li>2. R And S (India) Electronics Private Limited</li> <li>3. Peerless Speakers Private Limited</li> </ol>


3.	<p><b>Name:</b> Mrs. Rumeeta Anirvan Ghose.  <b>Age:</b>41 years  <b>Father's Name:</b> Mr. Rup Dipak Malik  <b>Designation:</b> Non- Executive Director  <b>Address:</b>C-304-305, Meghdoot,  Lokhandwala Back Road, Opp  Joggers Park, Andheri West  Mumbai - 400053  <b>Occupation:</b> Business  <b>Nationality:</b> India  <b>Term:</b> Liable to Retire by rotation  <b>DIN:</b>02885906</p>	Appointed on February 13, 2017.	1. Fiesta Entertainment Private Limited
4.	<p><b>Name:</b> Mr. Naresh Kumar Gaiind  <b>Age:</b>70Years  <b>Father's Name:</b> Mr. Sham Sunder Gaiind.  <b>Designation:</b> Non-Executive &amp;  Independent Director  <b>Address:</b>A-401/402/403 Megdhoot CHS  Ltd. Lokhandwala, Andheri  (West), Mumbai- 400053  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>Term:</b> 5 Years  <b>DIN:</b>07776333</p>	Appointed on March 24, 2017	NIL
5.	<p><b>Name:</b> Mr. Nikhil Sunil Arya*  <b>Age:</b>27Years  <b>Father's Name:</b> Mr. Sunil Jagdishchandra  Arya  <b>Designation:</b> Independent &amp;Non-Executive  Director.  <b>Address:</b>008, D-Wing, Ashtavinayak Park,  Behind Dr. Prema Maternity  Hospital, Badlapur Goan Road,  Badlapur – 421503, Maharashtra  <b>Occupation:</b> Service  <b>Nationality:</b> Indian  <b>Term:</b> 5 Years</p>	Appointed on March 24, 2017	1. Jet Freight Logistics Limited.

DIN:06972069		
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(\*Mr. Nikhil Sunil Arya is a Compliance officer in Acepro Advisors Pvt Ltd which is an Associate of Sarthi Capital Advisors Pvt. Ltd. As on the date of this Red Herring Prospectus Mr. Nikhil Sunil Arya does not hold any shares in Acepro Advisors Pvt. Ltd.)

**BRIEF BIOGRAPHIES OF OUR DIRECTORS**

	<p><b>Mr. Anirvan Partha Ghose</b> aged 43 years is the Promoter and Managing Director of the Company. He has done his graduation in Bachelor of Science from St. Xavier’s College, Kolkata and also completed a course in Computer Hardware from Institute of Electronics and Hardware Technology, Kolkata in 1994. He has done specialized audio video training from Dolby Laboratories, Sim2, Sound Engineering and Sound recording Course from Film &amp; Television Institute of Pune in 1997. His Key Competencies includes designing Auditoriums, Cinemas and Recording Studios, Designing and Manufacturing of Audio Equipment, Installation, Calibration and Maintenance of Audio and Projection Equipment in Cinemas He is member of SMPTE, IFFI Technical Committee and NFDC Technical Committee.</p>
	<p><b>Mr. Ramakrishnan Krishnaraju Manden Kattil</b> aged 69 years, is the Promoter and Executive Director of our Company. He holds graduation in Science. His Key Competencies includes designing amplifiers, speaker system, Acoustical measurements and calibration for cinemas, auditoriums and studios. He plays a vital role in the management of the Company.</p>
	<p><b>Mrs. Rumeeta Anirvan Ghose</b> aged 41 years is the Non-Executive Director of the Company. She has done her graduation in Bachelor of Arts in Sociology from Presidency College. She is an experienced qualitative market researcher with 15 years of experience. She has high capability in handling innovation, trigger and barrier studies, consumer profiling and product development.</p>
	<p><b>Mr. Naresh Kumar Gaind</b> aged 70 years is the Non - Executive &amp; Independent Director of our Company. His hindmost experience is in the field of back office, Sales, Marketing, administration and HR Corporate activities.</p>

	<p><b>Mr. Nikhil Sunil Arya</b>, aged 27 years, is the Non - Executive &amp; Independent Director of our Company. He has done B.Com. (Accounts &amp; Finance) and LL.B. from Mumbai University. He is an associate member of the Institute of Company Secretaries of India. He is having experience of more than 3 years in the field of Corporate Affairs and Compliances. He is currently the Compliance Officer in Acepro Advisors Private Limited.</p>
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## CONFIRMATIONS

As on the date of this Red Herring Prospectus:

1. Apart from Mr. Anirvan Partha Ghose and Mrs. Rumeeta Ghose who are related to each other as Husband and wife, none of the Directors of the Company are related to each other.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment
4. None of the above mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Red Herring Prospectus or (b) or delisted from stock exchanges.
6. None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority. For further details refer Chapter titled “Outstanding Litigation and Material Developments” beginning on the page 248 of this Red Herring Prospectus.

## REMUNERATION / COMPENSATION OF DIRECTORS

Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulations. Except Mr. Ramakrishnan Krishnaraju Manden Kattil and Mr. Anirvan Partha Ghose who has been paid Gross Compensation of Rs. 28.53 lakhs and 11.98 Lakhs respectively during Fiscal Year 2016-17, none of our Directors had received any remuneration during preceding financial year.

## SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

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

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Mr. Ramakrishnan Krishnaraju Manden Kattil	12,99,988	65.00	47.69

2.	Mr. Anirvan Partha Ghose	6,99,992	35.00	25.68
3.	Mr. Rumeeta Anirvan Ghose	4	Negligible	Negligible
4.	Mr. Naresh Kumar Gaiind	Nil	Nil	Nil
5.	Mr. Nikhil Sunil Arya	Nil	Nil	Nil

#### INTERESTS OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable, if any to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses, lease rent payable, if any to them under our Articles of Association, and/or to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. Some of our Directors may be deemed to be interested to the extent of consideration received/paid or any loan or advances provided to anybody corporate including companies and firms and trusts, in which they are interested as directors, members, partners or trustees.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoter, and /or trustees pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares, if any.

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

Except as stated in the chapter “Our Management” and ‘Related Party Transactions’ beginning on page 130 and 156 respectively of this Red Herring Prospectus and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company within two years of the date of this Red Herring Prospectus.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

#### PROPERTY INTEREST

Except as stated/referred to in the heading titled “Land & Properties” beginning on page 118 of this Red Herring Prospectus, our Directors has not entered into any contract, agreement or arrangements during the preceding two years from the date of this Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

#### CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name	Date of Event	Nature of Event	Reason
Mr. Anirvan Partha Ghose	February 13, 2017	Change in Designation	Appointed as Managing Director
Mrs. Rumeeta Ghose	February 13, 2017	Appointment	Appointed as Non -Executive Director
Mr. Naresh Kumar Gaiind	March 24, 2017	Appointment	Appointed as Independent & Non-Executive Director
Mr. Nikhil Sunil Arya	March 24, 2017	Appointment	Appointed as Independent & Non-Executive Director

## BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at Extra-Ordinary General Meeting of our Company held on March 23, 2017 consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180 (1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs.100.00 Crores (Rupees One Hundred Crores only.)

## CORPORATE GOVERNANCE

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act, 2013 and as per the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently our Board has 5 (Five) Directors. We have 1 (one) Managing Director, 1 (one) Executive Director, 1 (One) Non-Executive Director and 2 (Two) Independent & Non- Executive Director. The constitution of our Board is in compliance with the Companies Act, 2013

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

- A. Audit Committee
- B. Stakeholder Relationships Committee
- C. Nomination and Remuneration Committee

#### **A) Audit Committee**

Our Company has constituted an audit committee ("**Audit Committee**"), as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 vide resolution passed in the meeting of the Board of Directors held on March 25, 2017.

The terms of reference of Audit Committee complies with the requirements of the Companies Act, 2013. The committee presently comprises the following three (3) directors.

#### **Composition of Audit Committee:**

Name of the Director	Status	Nature of Directorship
Mr. Naresh Kumar Gaiind	Chairman	Non-Executive & Independent Director
Mr. Nikhil Sunil Arya	Member	Non-Executive & Independent Director



Mr. Anirvan Partha Ghose	Member	Managing Director
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Mr. Naresh Kumar Gaiind is the Chairman of the Audit Committee.

The Company Secretary of the Company acts as the Secretary to the Audit committee.

**Role of the audit committee:**

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3of section 134of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Modified opinion(s) in the audit report.
5. Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, 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.
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process .
8. 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.
9. Discussion with internal auditors on any significant findings and follow up there on.
10. 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.
11. 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.

12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
14. 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.
15. To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.
16. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
17. Scrutiny of inter-corporate loans and investments.
18. Valuation of Undertakings or assets of the company, wherever it is necessary.
19. Evaluation of internal financial controls and risk management systems.
20. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
21. Monitoring the end use of funds raised through public offers and related matters

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.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:
  - a) Half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**Powers of the Audit Committee:**

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

**B) Stakeholder Relationships Committee**

Our Company has constituted a stakeholder relationships committee (“*stakeholder relationships Committee*”) to redress the complaints of the shareholders. The stakeholder relationships committee was constituted as per the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation

and Disclosure Requirements) Regulations, 2015 vide resolution passed at the meeting of the Board of Directors held on March 25, 2017.

**Composition of Stakeholder Relationships Committee**

Name of the Director	Status	Nature of Directorship
Mrs. Rumeeta Anirvan Ghose	Chairman	Non-Executive Director
Mr. Ramakrishnan krishnaraju manden kattil	Member	Executive Director
Mr. Anirvan Partha Ghose	Member	Managing Director

The Stakeholder Relationships Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Investor Grievance Committee include the following:

Redressal of shareholders'/investors' complaints;

Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;

Issue of duplicate certificates and new certificates on split/consolidation/renewal;

Non-receipt of declared dividends, balance sheets of the Company; and

Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**C) Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee. The constitution of the Nomination and Remuneration Committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was approved by a Meeting of the Board of Directors held on March 25, 2017.

**Composition of Nomination and Remuneration Committee**

Name of the Director	Status	Nature of Directorship
Mr. Naresh Kumar Gaind	Chairman	Non-Executive & Independent Director
Mr. Nikhil Sunil Arya	Member	Non-Executive & Independent Director
Mr. Rumeeta Anirvan Ghose	Member	Non-Executive Director

Mr. Naresh Kumar Gaind is the Chairman of the Nomination and Remuneration Committee.

The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

**The terms of reference of the Nomination and Remuneration Committee are:**

To recommend to the Board, the remuneration packages of the Company's Managing/Joint Managing/Deputy Managing/Whole time / Executive Directors, including all elements of remuneration package(i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);

To be authorized at its duly constituted meeting to determine on behalf the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole time/Executive Directors, including pension rights and any compensation payment;

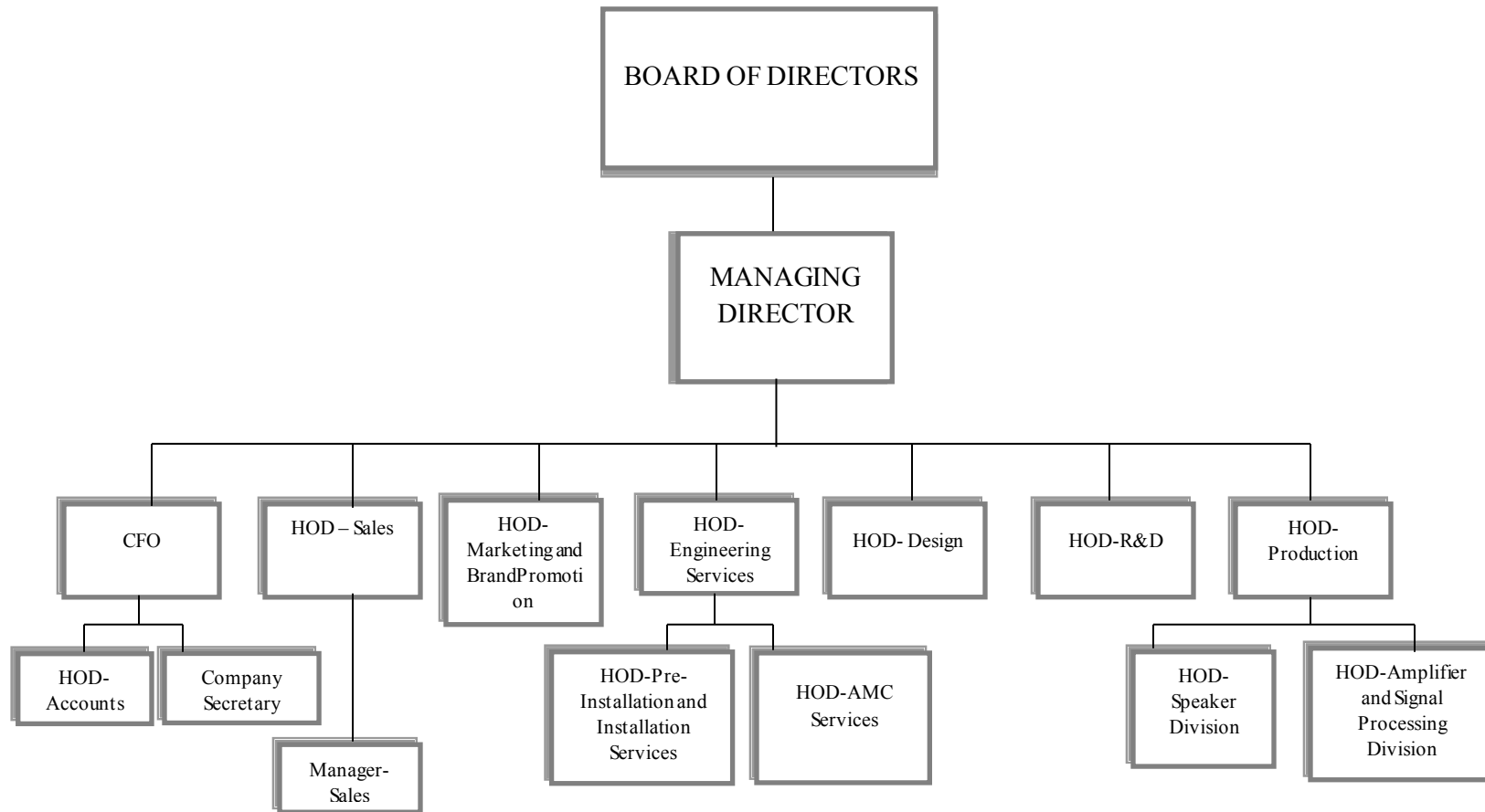
Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

**Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchange.

Ms. Hetali Harish Mehta, Company Secretary and Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

ORGANIZATIONAL STRUCTURE



## KEY MANAGERIAL PERSONNEL

### Mr. Anirvan Partha Ghose (Managing Director)

**Mr. Anirvan Partha Ghose** aged 43 years is the Promoter and Managing Director of the Company. He has done his graduation in Bachelor of Science from St. Xavier's College, Kolkata and also completed a course in Computer Hardware from Institute of Electronics and Hardware Technology, Kolkata in 1994. He has done specialized audio video training from Dolby Laboratories, Sim2, Sound Engineering and Sound recording Course from Film & Television Institute of Pune in 1997. His Key Competencies includes designing Auditoriums, Cinemas and Recording Studios, Designing and Manufacturing of Audio Equipment, Installation, Calibration and Maintenance of Audio and Projection Equipment in Cinemas He is member of SMPTE, IFFI Technical Committee and NFDC Technical Committee. He has been paid a remuneration of Rs. 11.98 lakhs during Financial Year 2016-2017.

### Ms. Hetali Harish Mehta (Company Secretary & Compliance Officer)

Ms. Hetali Harish Mehta, aged 23 years, is the Company Secretary & Compliance Officer of the Company. She is an associate member of the Institute of the Company Secretaries of India and also holds a degree in Bachelors of Commerce. She joined the Company on March 24, 2017, and has been paid a remuneration of Rs. 0.05 lakhs during Financial Year 2016-17

### Mr. Mihir Bharat Doshi (Chief Financial Officer)

Mr. Mihir Bharat Doshi, aged 38 years is the Chief Financial Officer of the Company. He has worked in Accounts and Finance Department of Galaxy Entertainment Corporation Limited as Assistant Manager. He is appointed as Chief Financial Officer of the Company with effect from February 13, 2017. He joined the Company in FY 2016-17, and has been paid a remuneration of Rs. 1.69 lakhs.

## RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

There is no family relationship between the Key Managerial Personnel of our Company.

## FAMILY RELATIONSHIPS OF DIRECTORS WITH KEY MANAGERIAL PERSONNEL

There is no family relationship between the key managerial personnel and Director of our Company except Mr. Anirvan Partha Ghose and Mrs. Rumeeta Anirvan Ghose who are related to each other as Husband and Wife pursuant to section 2(77) of Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our company.

## ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

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

## SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

None of the KMPs holds any Equity shares of our Company as on the date of this Red Herring Prospectus except the following:

Sr. No.	Name of the shareholder	No. of shares held
1.	Mr. Anirvan Partha Ghose	6,99,992

## BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

#### LOANS TO KEY MANAGERIAL PERSONNEL

No loans and advances given to the Key Managerial Personnel as on the date of this Red Herring Prospectus.

#### INTEREST OF KEY MANAGERIAL PERSONNEL

The key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

Except as disclosed in this Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration and reimbursement of expenses.

Our Key Managerial Personnel have no interest in any property acquired by our Company within two years of the date of this Red Herring Prospectus.

#### CHANGES IN KEY MANAGERIAL PERSONNEL DURING LAST THREE (3) YEARS

The changes in the key managerial personnel in the last three years are as follows:

Name of Managerial Personnel	Designation	Date of Event	Reason
Mr. Anirvan Partha Ghose	Managing Director	February 13, 2017	Appointed as Managing Director
Mr. Mihir Bharat Doshi	Chief Financial Officer	February 13, 2017	Appointed as Chief Financial Officer
Ms. Hetali Harish Mehta	Company Secretary & Compliance Officer	March 24, 2017	Appointed as Company Secretary & Compliance Officer

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

#### ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

#### PAYMENT OR BENEFIT TO OUR OFFICERS

Except as disclosed in the heading titled “Related Party Disclosure” in the section titled “Financial Statements beginning on page 158 of this Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

## OUR PROMOTERS AND PROMOTER GROUP

### OUR INDIVIDUAL PROMOTERS

1. **Mr. Anirvan Partha Ghose**
2. **Mr. Ramakrishnan Krishnaraju Manden Kattil**

### DETAILS OF OUR INDIVIDUAL PROMOTERS

#### 1. **Mr. Anirvan Partha Ghose**



**Mr. Anirvan Partha Ghose** aged 43 years is the Promoter and Managing Director of the Company. He has done his graduation in Bachelor of Science from St. Xavier's College, Kolkata and also completed a course in Computer Hardware from Institute of Electronics and Hardware Technology, Kolkata in 1994. He has done specialized audio video training from Dolby Laboratories, Sim2, Sound Engineering and Sound recording Course from Film & Television Institute of Pune in 1997. His Key Competencies includes designing Auditoriums, Cinemas and Recording Studios, Designing and Manufacturing of Audio Equipment, Installation, Calibration and Maintenance of Audio and Projection Equipment in Cinemas He is member of SMPTE, IFFI Technical Committee and NFDC Technical Committee.

Particulars	Details
Permanent Account Number	ADWPG9482F
Passport No.	L4750464
Aadhar No.	703143920053
Bank Account Details	<b>Axis Bank Limited</b> Laxmi The Mall, Blg No.5, Laxmi Industrial Estate, New Link Road, Andheri West, Mumbai 400053. A/c No.: 020010100382441

#### 2. **Mr. Ramakrishnan Krishnaraju Manden Kattil**



**Mr. Ramakrishnan Krishnaraju Manden Kattil** aged 69 years, is the Promoter and Executive Director of our Company. He holds graduation in Science. His Key Competencies includes designing amplifiers, speaker system, Acoustical measurements and calibration for cinemas, auditoriums and studios. He plays a vital role in the management of the Company.

Particulars	Details
Permanent Account Number	AAPPK3916N
Passport No.	Z2477418
Aadhar No.	655726719681



Bank Account Details	<b>Axis Bank Limited</b> Laxmi The Mall, Blg No.5, Laxmi Industrial Estate, New Link Road, Andheri West, Mumbai 400053. A/c No.: 020010100382465
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### OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of SEBI (ICDR) Regulations includes the following persons:

#### a) Individual Promoters

The natural persons who are part of our Promoter Group (due to the relationship with our Promoters), other than the Promoters named above are as follows:

Sr. No.	Relationship	Mr. Anirvan Partha Ghose	Mr. Ramakrishnan Krishnaraju Manden Kattil
1.	Father	Mr. Partha Sarathy Ghose	Mr. Krishna Raju
2.	Mother	Mrs. Kalyani Ghose	Mrs. Leelaraj
3.	Spouse	Mrs. Rumeeta Ghose	Mrs. Neeta Ramakrishnan
4.	Brother	Mr. Tathagata Ghose	1. Mr. Ranjit M.T 2. Mr. Ramesh M.T
5.	Sister	-	Ms. Nalini Kashiapan
6.	Children	1. Mr. Arjun Ghose 2. Mr. Rijoy Ghose	1. Ms. Devangi Ramakrishnan 2. Ms. Bhavya Ramakrishnan
7.	Spouse Father	Mr. Rup Dipak Mallik	Mr. Kumudchandra Shah
8.	Spouse Mother	Mrs. Kumkum Mallik	Mrs. Guvanti Shah
9.	Spouse Brother	-	Mr. Nainesh Shah
10.	Spouse Sister	-	Ms. Varsha Shah

#### b) Companies and proprietorship firms forming part of our Promoter Group are as follows:

Relationship with promoters	Promoters	
	Mr. Anirvan Partha Ghose	Mr. Ramakrishnan Krishnaraju Manden Kattil
Any company in which 10% or more of the share capital is held by the promoters or an immediate relative of the	1. Fiesta Entertainment Private Limited. 2. Elecom Fiesta Entertainment Private Limited.	1. R and S (India) Electronics Private Limited 2. Linear Electronics Private Limited.

promoters or a firm or HUF in which the promoters or any one or more of his immediate relative is a member		
Any company in which a company (mentioned above) holds 10% of the total holding	NIL	
Any HUF or firm in which the aggregate share of the promoters and his immediate relatives is equal to or more than 10% of the total holding	NIL	<ol style="list-style-type: none"> <li>1. R and S Electronics (Partnership Firm)</li> <li>2. Ramakrishnan M.K. HUF</li> </ol>

#### OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, Bank Account Number and Passport Number of the Promoters will be submitted to the NSE, where the securities of our Company are proposed to be listed at the time of submission of this Red Herring Prospectus.

#### COMMON PURSUITS OF OUR PROMOTERS

All the Promoter Group Companies except Fiesta Entertainment Private Limited and Elecom Fiesta Entertainment Private Limited are having business objects similar to our business as mentioned in the Chapter “Our Group Entities” beginning on page 148 of this Red Herring Prospectus.

#### INTEREST OF THE PROMOTERS

##### *Interest in the promotion of Our Company*

Our promoters are Mr. Anirvan Partha Ghose and Mr. Ramakrishnan Krishnaraju Manden Kattil. Our Promoters may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by them as well as their relatives and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, our Promoters may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which either of them are interested as a director, member or partner.

##### *Interest in the property of Our Company*

Our Promoters do not have any interest in any property acquired by our Company in last two years or proposed to be acquired by our Company.

##### *Interest as Member of our Company*

As on the date of this Red Herring Prospectus, our Promoters Mr. Anirvan Partha Ghose and Mr. Ramakrishnan Krishnaraju Manden Kattil holds 6,99,992 and 12,99,988 Equity Shares respectively of our Company and are therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoters in our Company. Our Promoters do not hold any other interest in our Company.

##### *Payment Amounts or Benefit to Our Promoters during the Last Two Years*

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Red Herring Prospectus except as mentioned / referred to in this chapter and in the section titled ‘Our Management’, ‘Financial



Statements’ and ‘Capital Structure’ on page 130,158and 64respectively of this Red Herring Prospectus. Further as on the date of this Red Herring Prospectus, there is no bonus or profit sharing plan for our Promoters.

#### CONFIRMATIONS

For details on litigations and disputes pending against the Promoters and defaults made by them including violations of securities laws, please refer to the section titled “Outstanding Litigation and Material Developments” on page 248this Red Herring Prospectus. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority.

#### RELATED PARTY TRANSACTIONS

Except as disclosed in the “Related Party Transactions” beginning on page 156of this Red Herring Prospectus, our Company has not entered into any related party transactions with our Promoters.

## OUR SUBSIDIARY

Our Company has 99.98% shareholding of Peerless Speakers Private Limited as on the date of this Red Herring Prospectus and therefore, Peerless Speakers Private Limited is a subsidiary of our Company.

The Details of the Subsidiary Companies are given below:

### 1. Peerless Speakers Private Limited

#### Corporate Information

Peerless Speakers Private Limited was incorporated on March 31, 2017. The Registered office of the Company is situated at 2nd Floor, Kailashpati Plot no. 10A, Veera desai road, Andheri (west), Mumbai - 400053. The Permanent Account Number (PAN) of Company is AAJCP1014B

The object of the Company is to carry on the business of Manufacturing and/or dealing in electronics equipment's, audio amplifiers, digital and logic circuits, speaker systems, associated equipment, servicing and maintenance.

#### Board of Directors

Name	Designation
Mr. Anirvan Partha Ghose	Director
Mr. Ramakrishnan Krishnaraju Manden Kattil	Director

#### Capital Structure

Particulars	No. of Equity shares
Authorised Share Capital	50,000 Equity Shares of Rs.10/- each.
Issued, Subscribed and Paid-up Capital	10,000 Equity Shares of Rs.10/- each

#### Change in capital structure

There has been no change in the capital structure of Peerless Speakers Private Limited in the last six months prior to filing of this Red Herring Prospectus.

#### Shareholding Pattern

The Shareholding Pattern of Peerless Speakers Private Limited as on date of this Red Herring Prospectus:

Name	No. of Shares	Percentage (%)
Pulz Electronics Limited	9998	99.98
Mr. Anirvan Partha Ghose	01	0.01
Mr. Ramakrishnan Krishnaraju Manden Kattil	01	0.01
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

#### Financial information

Since the Company was incorporated on March 31, 2017, Financials of the Company are not available.

## OUR GROUP ENTITIES

Below mentioned are the details of Companies / Entities promoted by the Promoters of our Company. No equity shares of our Group Companies are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years.

### A. Our Group Entities includes:

1. R and S (India) Electronics Private Limited.
2. Fiesta Entertainment Private Limited
3. Elecom Fiesta Entertainment Private Limited
4. Linear Electronics Private Limited.

### B. Other Group Entities:

1. R and S Electronics (Partnership Firm)
2. Ramakrishnan M.K HUF

### A. Our Group Entities includes:

The details of our Group Entities are provided below:

#### 1. R and S (India) Electronics Private Limited

##### Corporate Information

R and S (India) Electronics Private Limited was incorporated on September 13, 2000 under the provisions of Companies Act, 1956. The Corporate Identification Number of the Company is U29299MH2000PTC128688. The Registered Office of the Company is situated at Kailashpati 2nd Floor, Plot No 10A, Veera Desai Road, Andheri (West), Mumbai-400053, Maharashtra, India.

The Main Objects of the Company is to carry on the business of Manufacturing and/or dealing in electronic equipments, audio amplifiers, digital and logic circuits, speaker systems, associated equipments, servicing, maintenance for all kind of electronic equipments.

##### Board of Directors

Name	Designation
Ramakrishnan Krishnaraju Manden Kattil	Managing Director
Anirvan Partha Ghose	Director
Neeta Ramakrishnan	Director

#### Shareholders of R and S (India) Electronics Private Limited as on the date of this Red Herring Prospectus.

Sr. No.	Name	No. of Shares held	Percentage (%)
1.	Ramakrishnan Krishnaraju Manden Kattil	5,000	50%
2.	Neeta Ramakrishnan	5,000	50%
	<b>Total</b>	<b>10,000</b>	<b>100%</b>

## Financial Information

(Rs. In Lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Capital	1.00	1.00	1.00
Reserve (Excluding Revaluation Reserve)	558.54	624.32	749.53
Total Income	384.82	393.54	456.82
Profit after Tax	(65.78)	(125.20)	(61.81)
Earnings Per Share (Basic) (Rs.)	(657.80)	(1252.06)	(618.14)
Earnings Per Share (Diluted) (Rs.)	(657.80)	(1252.06)	(618.14)
Net worth	559.54	625.32	750.53
Net Asset Value per Share of face value Rs. 10/-	5595.41	6253.21	7505.27

## 2. Fiesta Entertainment Private Limited

### Corporate Information

Fiesta Entertainment Private Limited was incorporated on March 20, 2002 under the provisions of Companies Act, 1956. The Corporate Identification Number of the Company is U74940WB2002PTC094390. The Registered Office of the Company is situated at 46 Satish Mukherjee Road, Kolkata-700026, West Bengal.

The Main Object of the company is to carry on the business of exhibitors, exploiters, importers, exporters and distributors of cinematographic and advertising films, movie entertainment and photograph, present, represent, buy, sell, deal with, dispose of exchange, release, exploit, distribute, by agencies or hire in India or any part of the world cinematographic films, videotapes and video cassettes on educational, industrial, social and topical subjects.

### Board of Directors

Name	Designation
Anirvan Partha Ghose	Director
Anil Naraindas Nagpal	Director
Jailaxmi Naraindas Nagpal	Director
Rumeeta Anirvan Ghose	Director

### Shareholders of Fiesta Entertainment Private Limited as on the date of this Red Herring Prospectus.

Sr. No.	Name	No. of Shares held	Percentage (%)
1.	Anirvan Partha Ghose	4,74,300	48.57
2.	Jailaxmi Naraindas Nagpal	2,09,250	21.43
3.	Anil Naraindas Nagpal	1,39,500	14.29
4.	Anita Nagpal	1,29,500	13.26

5.	Rumeeta Ghose	13,950	1.43
6.	Naraindas Dwarkadas Nagpal	10,000	1.02
	<b>Total</b>	<b>9,76,500</b>	<b>100</b>

### Financial Information

(Rs. In Lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Capital	97.65	97.65	97.65
Reserve (Excluding Revaluation Reserve)	(170.21)	(153.76)	(133.59)
Total Income	114.45	140.22	156.48
Profit after Tax	(16.45)	(20.17)	(37.62)
Earnings Per Share (Basic) (Rs.)	(0.17)	(2.07)	(3.85)
Earnings Per Share (Diluted) (Rs.)	(0.17)	(2.07)	(3.85)
Net worth	(72.56)	(56.11)	(35.94)
Net Asset Value per Share of face value Rs. 10/- (Rs.)	(7.43)	(5.75)	(3.68)

### 3. Elecom Fiesta Entertainment Private Limited

#### Corporate Information

Elecom Fiesta Entertainment Private Limited was incorporated on April 12, 2007 under the provisions of Companies Act, 1956. The Corporate Identification Number of the Company is U92130WB2007PTC115142. The Registered Office of the Company is situated at "VARDAAN" Suite # 403 24A, Camac Street, Kolkata-700016, West Bengal.

The Main Object of the company is

1. To carry on all or any of the business of hoisting of Television Channel, Film Production, Video Production, Corporation / Ad Film, Audio Production, Graphic, to produce and / or acquire Film / video / fiction / Non – fiction or any satellite channel in India or abroad and to carry on the business of, computer aided design and ing, preparation & networking services, technical assistance for information technology of all kinds of news channel, sports channel, cine films, video films, tele films, documentary films, tele cartoons, TV serials, slides in all languages.
2. To carry on in India or elsewhere the business to present, produce, arrange, manage, organize, conduct, sponsor, compose, edit, plan, design, exhibit, demonstrate, promote, operate, participate, collaborate and run at national and international level all sorts of shows and modeling, films, programmes of all kinds of sports, lifestyle, fashion show, news and current affairs, song, music, dance, film star, pop star, T.V. channels, websites and for the purpose to engage, book or hire artists, authors, story writers, musicians, models, performer and other persons & agencies etc.
3. To carry on all or any of the business of processing/preparation of 2D Animation & 3D Animation of Films & others, hosting of Television Channel, Film Production, Video Production, Telefilm Production, Web Designing, Editing of Film/Video Production, Remixing, Processing of Film/Video Production, Corporation/Ad Film presentations, Audio Production, Graphic, to produce and/or acquire Film/Video/fiction/Non-fiction or any satellite channel in India or abroad and carry on the business of

information technology (IT), business process outsourcing, software development & marketing and other IT enable services and to carry on the business of, computer aided web designing and ing, preparation & networking services, technical assistance for information technology of all kinds of new channel, sports channel, cine films, video films, tele films, documentary films, advertising films, tele cartoons, TV serials, slides in all language.

#### Board of Directors

Name	Designation
Anirvan Partha Ghose	Director
Sushil Kumar Bahety	Director
Rup Deepak Mallik	Director
Naraindas Dwarkadas Nagpal	Director

#### Shareholders of Elecom Fiesta Entertainment Private Limited as on the date of this Red Herring Prospectus.

Sr. No.	Name	No. of Shares held	Percentage (%)
1.	Elecom Software Pvt Ltd	3,62,500	49.32
2.	Naraindas Dwarkadas Nagpal	91,500	12.45
3.	Anirvan Partha Ghose	87,000	11.84
4.	Satyanarayan Bahety	35,625	4.85
5.	Sushil Kumar Bahety	32,500	4.42
6.	Laxmi Kanta Bahety	25,000	3.40
7.	Payal Bahety	25,000	3.40
8.	Elecom Exports Pvt. Ltd.	20,000	2.72
9.	Rajiv Bahety	11,500	1.56
10.	Rup Dipak Mallik	10,000	1.36
11.	Anil Kumar Nagapal	10,000	1.36
12.	Narayan Kumar Bahety	8,120	1.10
13.	Sarala Devi Bahety	6,075	0.83
14.	Bhagwati Devi Bahety	5,450	0.74
15.	Rumeeta Ghosh	4,000	0.54
16.	Manjula Bahety	730	0.10
	<b>Total</b>	<b>7,35,000</b>	<b>100.00</b>



## Financial Information

(Rs. In Lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Capital	73.50	73.50	73.50
Reserve (Excluding Revaluation Reserve)	(254.75)	(254.41)	(254.80)
Total Income	0.00	0.95	0.15
Profit after Tax	(0.34)	0.38	(0.32)
Earnings Per Share (Basic) (Rs.)	(0.05)	0.05	(0.04)
Earnings Per Share (Diluted) (Rs.)	(0.05)	0.05	(0.04)
Net worth	(181.25)	(180.91)	(181.30)
Net Asset Value per Share of face value Rs. 10/- (Rs.)	(24.66)	(24.61)	(24.67)

### 4. Linear Electronics Private Limited

#### Corporate Information

Linear Electronics Private Limited was incorporated on January 17, 1995 under the provisions of Companies Act, 1956. The Corporate Identification Number of the Company is U32100MH1995PTC084710. The Registered Office of the Company is situated at 5 Loge Bonheuropp, Station Road, Mahim (West), Mumbai - 400016, Maharashtra, India.

The Main Object of the company is to carry on the business of manufacturing and/or dealing in electronic equipments, audio amplifiers, digital and logic circuits, speaker systems, associated equipments, servicing, maintenance for all kind of electronic equipments.

#### Board of Directors

Name	Designation
Neeta Ramakrishnan	Director
Ramakrishnan Krishnaraju Manden Kattil	Director

#### Shareholders of Linear Electronics Private Limited as on the date of this Red Herring Prospectus.

Sr. No.	Name	No. of Shares held	Percentage (%)
1.	Ramakrishnan Krishnaraju Manden Kattil	5,000	50%
2.	Neeta Ramakrishnan	5,000	50%
	<b>Total</b>	<b>10,000</b>	<b>100%</b>

**Financial Information**

(Rs. In Lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Capital	1.00	1.00	1.00
Reserve (Excluding Revaluation Reserve)	8.46	8.59	8.93
Total Income	0.13	0.02	0.02
Profit after Tax	(0.12)	(0.35)	(2.34)
Earnings Per Share (Basic) (Rs.)	(1.23)	(3.47)	(23.38)
Earnings Per Share (Diluted) (Rs.)	(1.23)	(3.47)	(23.38)
Net worth	9.46	9.59	9.93
Net Asset Value per Share of face value Rs. 100/-	94.62	95.85	99.32

**Other Group Entities:**
**1. R and S Electronics (Partnership Firm)**
**Brief Information**

M/s. R and S Electronics was established on April 01, 1997 as a Partnership Firm. The office of the Firm is situated at A-1/24, Ghanshyam Industrial Estate, Veera Desai Road, Andheri(West), Mumbai-400053. The Permanent Account Number (PAN) of Firm is AAAGR1702J.

The partnership firm is carrying on the business of Manufacturing, Selling, Trading and servicing and otherwise dealing in Electronic equipment, audio amplifiers, digital and logic circuits, maintenance for all kind of electronic equipment, import/export and agency business and advising, consulting and otherwise rendering services in the above mentioned business.

As on March 31, 2017 the firm has two partners in the following profit sharing ratio:

Sr. No.	Particulars	% Stake
1.	Ramakrishnan Krishnaraju Manden Kattil	50%
2.	Neeta Ramakrishnan	50%
	<b>Total</b>	<b>100%</b>

Financial performance of R and S Electronics for last three years as mentioned below:

(inLacs)

Particulars	For the Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Total Capital	317.35	330.78	321.29
Total Income	17.38	20.76	25.36
Net Profit	15.33	19.21	14.83

## 2. Ramakrishnan M.K HUF

Ramakrishnan M.K HUF was created on January 02, 1948. The permanent Account Number (PAN) of Ramakrishnan M.K HUF is AAIHR1728L. The HUF deals in shares trading, Investment in Mutual Funds.

### Members of Ramakrishnan M.K HUF:

Sr. No.	Particulars	Status
1.	Neeta Ramakrishnan	Karta
2.	Devangi Ramakrishnan	Co-Parcener
3.	Bhavya Ramakrishnan	Co-Parcener

### Financial performance of the HUF for last three years as mentioned below:

(inLacs)

Particulars	For the Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Total Income	5.75	3.43	13.09
Tax Paid	0.00	0.00	1.58

### CONFIRMATION

Our Promoters and persons forming part of Promoter Group 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 security laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoter and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. Except Fiesta Entertainment Private Limited and Elecom Fiesta Entertainment Private Limited none of the Group Entities has a negative net worth as on the date of this Red Herring Prospectus.

### INTERESTS OF OUR GROUP COMPANIES

None of our Group Companies are interested in the promotion of our Company except as disclosed in the section titled "Financial Statements" beginning on page 158 of this Red Herring Prospectus and to the extent of their shareholding in our Company. Our Group Companies do not have any other interest in our Company, including in relation to property or land acquired by our Company.

### SICK COMPANIES / WINDING UP

No Promoter Group Entities listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985. There is no winding up proceedings against any of the Promoter Group Entities.

### LITIGATION

For details on litigations and disputes pending against the Promoters and Promoter Group Entities and defaults made by them, please refer to the chapter titled, 'Outstanding Litigations and Material Developments' beginning on page 248 of this Red Herring Prospectus.

#### **DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS**

None of our Promoter has disassociated himself from any of the companies/partnership firms during preceding three years.

#### **SALES/PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES**

For details please refer to chapter titled 'Related Party Transactions' beginning on page 156 of this Red Herring Prospectus.

#### **COMMON PURSUITS**

All our Group Entities except Fiesta Entertainment Private Limited and Elecom Fiesta Private Limited have objects similar to that of our Company's business. Further, currently we do not have any non-compete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.



## RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to **ANNEXURE-XI** of restated financial statement under the section titled, '*Financial Statements*' beginning on page 158 this Red Herring Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. Under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the "record date" are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

Our Company has not paid any dividend in the previous five Financial Years.



## SECTION V – FINANCIAL INFORMATION

### FINANCIAL INFORMATION AS RESTATED

#### INDEPENDENT AUDITOR'S REPORT AS REQUIRED BY SECTION 26 OF COMPANIES ACT, 2013 WITH RULE 4 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

To,

The Board of Directors  
**Pulz Electronics Limited**  
46 Satish Mukherjee Road,  
Kolkata 700026.  
West Bengal

Dear Sirs,

1. We have examined the attached Restated Financial Information of **Pulz Electronics Limited** (Formerly Pulz Electronics Private Limited and hereinafter referred to as “the Company”) as approved by the Board of Directors of the Company in their meeting on October 23, 2017, prepared by the management of the company in terms of requirement of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rule 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the ‘SEBI Regulations’), the Guidance Note on ‘Reports in Company’s Prospectus (Revised)’ issued by the Institute of Chartered Accountants of India (‘ICAI’) to the extent applicable (‘Guidance Note’), and in terms of our engagement agreed upon with you in accordance with our engagement letter dated March 01, 2017, in connection with the proposed Initial Public Offer (IPO) of the Company on SME platform of National Stock Exchange of India Limited (“NSE”).
2. These Restated Financial Information (included in Annexure I to XIII) have been extracted by the Management of the Company from:
  - (a) The Company’s Audited Financial Statements for the period ended June 30, 2017 and year ended March 31, 2017, 2016, 2015, 2014 and 2013, which have been approved by the Board of Directors at their meeting held on August 14, 2017 and September 12, 2017, September 07, 2016, August 25, 2015, September 27, 2014 and September 05, 2013 respectively and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Financial Information, are the responsibility of the Company’s Management. The Financial Statement of the Company for the period ended June 30, 2017 & financial year ended March 31, 2017 have been audited by KNP & Associates and for financial year ended March 31, 2016, 2015, 2014 and 2013 have been audited by Gaurang & Associates and had issued unqualified reports for these years.
  - (b) The Interim Financial Statements for the period ended June 30, 2017, which have been prepared in accordance with the generally accepted accounting principles in India (‘GAAP’), the provisions of the Companies Act, 2013, the Accounting Standard (AS) 25 Interim financial Reporting and other accounting standards as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, have been approved by the Board of Directors at their meeting held on October 23, 2017.
3. In accordance with the requirement of Section 26 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:
  - (i) The Restated Statement of Assets and Liabilities as at June 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out in Annexure – I to this report, read with the ‘Basis of

Preparation and Significant Accounting Policies of the Restated Financial Statements' appearing in Annexure- IV are after making such adjustments and regrouping/reclassification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Financial Statements appearing in Annexure –V. As a result of these adjustments, the amounts reporting in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial interim period / years.

- (ii) The Restated Statement of Profit and Loss of the Company for the period ended June 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out in Annexure – II to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Financial Statements' appearing in Annexure- IV are after making such adjustments and regrouping/reclassification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Financial Statements appearing in Annexure – V. As a result of these adjustments, the amounts reporting in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant period / financial years.
  - (iii) The Restated Statement of Cash flows of the Company for the period ended June 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out in Annexure – III (to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Financial Statements' appearing in Annexure- IV are after making such adjustments and regrouping/reclassification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Financial Statements appearing in Annexure –V. As a result of these adjustments, the amounts reporting in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant period / financial years.
4. Based on the above, and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Financial Information:
- (a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in period / respective financial years to reflect the same accounting treatment as per the changed accounting policies for all the reporting periods based on the significant accounting policies adopted by the Company as at June 30, 2017;
  - (b) have been made after incorporating adjustments for prior period and other material amounts in the period / respective financial years to which they relate to; and;
  - (c) do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Financial Information and do not contain any qualification requiring adjustments.
5. We have also examined the following Restated Financial Information as set out in the Annexures to this report and forming part of the Restated Financial Information, prepared by the management of the Company and approved by the Board of Directors on October 23, 2017, relating to the company for the period ended June 30, 2017 and financial year ended March 31, 2017, 2016, 2015, 2014 and 2013:
- i) Restated Statement of Assets and Liabilities included in Annexure – I;
  - ii) Restated Statement of Profit and Loss included in Annexure – II;
  - iii) Restated Statement of Cash flow from Restated Financial Statement included in Annexure III;
  - iv) Basis of Preparation and Significant Accounting Policies of the Restated Financial Statements as included in Annexure IV.
  - v) Statement of Reconciliation of Restated Profits to Profit as per Audited Financial Statements included on Annexure V;
  - vi) Notes to Restated Standalone Financial Information as included in Annexure VI



- vii) Restated Statement of Contingent Liabilities, included in Annexure VII;
  - viii) Restated Statement of Accounting Ratios, included in Annexure VIII;
  - ix) Restated Statement of Earning Per Share, included in Annexure IX;
  - x) Restated Statement of Capitalisation, included in Annexure X;
  - xi) Restated Statement of Related Party Transaction, included in Annexure XI;
  - xii) Restated Statement of Tax Shelters, included in Annexure XII;
  - xiii) Restated Statement of Financial indebtness, included in Annexure XIII.
6. This 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 an opinion on any of the financial statements referred to herein.
7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
8. In our opinion, the above Restated Standalone Financial Information contained in Annexure I to XIII to this report read along with the Basis of Preparation and Significant Accounting policies (Refer Annexure – IV) and Notes to Restated Standalone Financial Information (Refer Annexure – VI) after making adjustments and regrouping/re-classification as considered appropriate and have been prepared in accordance with the provisions of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.
9. Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed issue of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

**For RPMD & Associates.**  
**Chartered Accountants**  
**ICAI Firm's Reg. No. 005961C**

**Rahul Jain**  
**(Partner)**  
**M. No. 518352**

**Place: Delhi**  
**Dated: October 23, 2017**

**ANNEXURE – I: RESTATED SUMMARY STANDALONE STATEMENT OF ASSETS AND LIABILITIES**
**(Rs. in Lakhs)**

Particulars	Note No.	As at June 30,	As at March 31,					
		2017	2017	2016	2015	2014	2013	
<b>I Equity and Liabilities</b>								
<b>1 Shareholders' Funds</b>								
(a) Share Capital	<b>I.1</b>	200.00	200.00	50.00	50.00	50.00	50.00	
(b) Reserves & Surplus	<b>I.2</b>	223.29	182.91	198.89	168.78	145.41	134.96	
		<b>423.29</b>	<b>382.91</b>	<b>248.89</b>	<b>218.78</b>	<b>195.41</b>	<b>184.96</b>	
<b>3 Non-Current Liabilities</b>								
(a) Long-term borrowings	<b>I.3</b>	7.06	7.81	10.64	-	101.28	5.10	
(b) Deferred Tax Liabilities (Net)	<b>I.4</b>	5.81	7.27	5.43	8.07	-	-	
(c) Long Term Provisions	<b>I.5</b>	10.73	10.73	8.30	-	-	-	
(d) Other Long Term Liabilities	<b>I.6</b>	194.88	194.88	192.44	184.14	181.08	167.68	
		<b>207.75</b>	<b>209.96</b>	<b>208.51</b>	<b>192.21</b>	<b>282.37</b>	<b>172.78</b>	
<b>4 Current Liabilities</b>								
(a) Short Term Borrowings	<b>I.7</b>	147.08	143.41	159.09	154.91	118.01	6.37	
(b) Trade Payables	<b>I.8</b>	111.91	135.08	81.33	80.98	172.90	22.30	
(c) Other current Liabilities	<b>I.9</b>	160.37	194.76	182.04	266.43	131.24	94.56	
(d) Short Term Provisions	<b>I.10</b>	110.75	82.12	16.71	24.85	12.42	6.39	
		<b>530.12</b>	<b>555.28</b>	<b>439.17</b>	<b>527.16</b>	<b>434.57</b>	<b>129.61</b>	
<b>Total</b>		<b>1,161.16</b>	<b>1,148.25</b>	<b>896.56</b>	<b>938.16</b>	<b>912.35</b>	<b>487.35</b>	
<b>II Assets</b>								
<b>1 Non-Current Assets</b>								
(a) Fixed Assets								
(i) Tangible Assets	<b>I.11</b>	285.27	283.82	294.56	283.29	256.12	104.74	
(ii) Capital Work-in-Progress	<b>I.11</b>	6.42	6.42	4.00	4.00	3.93	1.77	
(b) Deferred Tax Assets (Net)	<b>I.4</b>	-	-	-	-	1.43	1.71	
(c) Non-Current Investments		1.25	0.25	0.25	0.25	0.25	0.25	
(d) Other Non-Current Assets	<b>I.13</b>	1.15	1.06	1.06	2.98	3.04	16.03	
		<b>294.10</b>	<b>291.55</b>	<b>299.86</b>	<b>290.52</b>	<b>264.77</b>	<b>124.50</b>	
<b>2 Current Assets</b>								
(a) Inventories	<b>I.14</b>	506.68	445.93	380.00	454.34	461.39	277.88	
(b) Trade Receivables	<b>I.15</b>	219.73	311.03	101.06	68.98	34.92	29.51	
(c) Cash and Cash Equivalents	<b>I.16</b>	41.90	6.30	4.73	0.08	1.74	8.26	
(d) Short-term loans and advances	<b>I.12</b>	98.75	93.46	110.91	124.25	149.54	47.21	
(e) Other Current Assets	<b>I.17</b>	-	-	-	-	-	-	
		<b>867.06</b>	<b>856.70</b>	<b>596.70</b>	<b>647.64</b>	<b>647.58</b>	<b>362.85</b>	
<b>Total</b>		<b>1,161.16</b>	<b>1,148.25</b>	<b>896.56</b>	<b>938.16</b>	<b>912.35</b>	<b>487.35</b>	

**ANNEXURE – II: RESTATED SUMMARY STANDALONE STATEMENT OF PROFIT AND LOSS**
**(Rs. in Lakhs)**

Particulars	Notes No.	For Period Ended June 30,	For the year Ended March 31,					
		2017	2017	2016	2015	2014	2013	
<b>I Revenue:</b>								
Revenue from Operations	<b>II.1</b>	375.56	1,376.58	1,298.42	1,177.46	920.15	527.93	
Other income	<b>II.2</b>	10.64	8.40	8.61	13.08	5.60	2.33	
<b>Total revenue</b>		<b>386.20</b>	<b>1,384.98</b>	<b>1,307.03</b>	<b>1,190.54</b>	<b>925.75</b>	<b>530.26</b>	
<b>II Expenses:</b>								
Cost of Material Consumed	<b>II.3</b>	76.42	313.02	560.42	517.21	369.12	200.69	
Purchase of stock-in-trade	<b>II.4</b>	99.46	170.10	136.11	139.80	155.39	47.88	
Manufacturing Expense	<b>II.5</b>	5.78	20.29	22.86	22.82	27.38	25.61	
Change in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade	<b>II.6</b>	(31.10)	27.92	2.57	(19.69)	(53.81)	18.58	
Employee benefit expenses	<b>II.7</b>	85.67	280.30	257.93	235.70	174.95	106.22	
Finance costs	<b>II.8</b>	6.52	19.01	20.72	23.13	18.66	2.36	
Depreciation and amortization expense	<b>I.10</b>	4.85	18.62	20.15	19.36	16.74	8.13	
Other expenses	<b>II.9</b>	84.69	322.18	250.41	235.40	200.64	90.62	
<b>Total Expenses</b>		<b>332.29</b>	<b>1,171.49</b>	<b>1,271.17</b>	<b>1,173.74</b>	<b>909.07</b>	<b>500.10</b>	
<b>III Profit/(loss) before exceptional, extraordinary items &amp; tax (I-II)</b>		<b>53.91</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>	
<b>IV Exceptional Items</b>		-	-	-	-	-	-	
<b>V Profit/(loss) before extraordinary items &amp; tax (III-IV)</b>		<b>53.91</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>	
<b>VI Extra-ordinary Items</b>		-	-	-	-	-	-	
<b>VII Profit/(loss) before tax (V-VI)</b>		<b>53.91</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>	
<b>VIII Tax expense:</b>								
(i) Current tax		15.00	76.85	8.40	6.40	5.95	9.90	
(ii) Earlier year tax		(0.01)	0.77	-	-	-	-	
(iii) Deferred Tax		(1.46)	1.84	(2.64)	9.50	0.28	(0.51)	

<b>IX</b>	<b>Profit/(loss) For the year (VII-VIII)</b>		<b>40.38</b>	<b>134.03</b>	<b>30.10</b>	<b>0.90</b>	<b>10.45</b>	<b>20.78</b>
<b>X</b>	<b>Earning per equity share in Rs.:</b>							
	(1) Basic		<b>2.02</b>	<b>6.70</b>	<b>1.51</b>	<b>0.05</b>	<b>0.52</b>	<b>1.04</b>
	(2) Diluted		<b>2.02</b>	<b>6.70</b>	<b>1.51</b>	<b>0.05</b>	<b>0.52</b>	<b>1.04</b>

**ANNEXURE – III: RESTATED SUMMARY STANDALONE STATEMENT OF CASH FLOWS**
**(Rs. in Lakhs)**

Particulars		As at	As at March 31,				
		June 30, 2017	2017	2016	2015	2014	2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>							
<b>Profit/ (Loss) before tax</b>		<b>53.91</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>
Adjustments for:							
Depreciation & amortization		4.85	18.62	20.15	19.36	16.74	8.13
Interest Expense		6.52	19.01	20.72	23.13	18.66	2.36
Loss on sale of Fixed Assets		-	-	-	0.23	-	-
Profit on sale of Fixed Assets		-	-	(0.50)	-	-	-
<b>Operating profit before working capital changes</b>		<b>65.28</b>	<b>251.12</b>	<b>76.23</b>	<b>59.52</b>	<b>52.08</b>	<b>40.66</b>
Movements in working capital:							
(Increase)/ Decrease in Inventories		(60.75)	(65.93)	74.34	7.05	(183.51)	(1.13)
(Increase)/Decrease in Trade Receivables		91.30	(209.97)	(32.08)	(34.06)	(5.41)	0.61
(Increase)/Decrease in Short term loans & advances		(5.30)	17.47	13.33	25.29	(102.33)	(30.09)
Increase/(Decrease) in Trade payables		(23.17)	53.75	0.35	(91.93)	150.60	(4.91)
Increase/(Decrease) in Other Current Liabilities		(34.39)	12.72	(84.38)	135.18	36.69	5.62
Increase/(Decrease) in Short term provisions		28.63	65.41	(8.14)	12.43	6.03	1.48
Change in long term Provisions		-	2.44	8.30	-	-	-
Change in Other long-term liabilities		-	-	-	3.06	13.40	3.84
<b>Cash generated from operations</b>		<b>61.60</b>	<b>127.00</b>	<b>47.95</b>	<b>116.55</b>	<b>(32.45)</b>	<b>16.08</b>
Income tax Refund/ (paid) during the year		14.99	77.62	8.40	6.40	5.95	9.90
<b>Net cash from operating activities</b>	<b>A</b>	<b>46.60</b>	<b>49.39</b>	<b>39.55</b>	<b>110.15</b>	<b>(38.40)</b>	<b>6.18</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>							
Sale/(Purchase) of Non- current assets		(6.30)	(10.30)	(30.91)	(24.35)	(170.28)	5.35
Change in Non-Current Assets		(1.10)	-	1.92	0.06	12.99	(3.72)
<b>Net cash from investing activities (B)</b>	<b>B</b>	<b>(7.40)</b>	<b>(10.30)</b>	<b>(28.99)</b>	<b>(24.30)</b>	<b>(157.29)</b>	<b>1.63</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>							
Proceeds/(Redemption)of Capital		-	-	-	-	-	-
Interest paid on borrowings		(6.52)	(19.01)	(20.72)	(23.13)	(18.66)	(2.36)
Proceeds/(Repayment) of Long Term Borrowings		(0.75)	(2.83)	10.64	(101.28)	96.18	(3.42)
Proceeds/ (Repayment) of Short Term		3.67	(15.68)	4.18	36.90	111.64	-

Borrowings							
<b>Net cash from financing activities (C)</b>	<b>C</b>	<b>(3.60)</b>	<b>(37.51)</b>	<b>(5.91)</b>	<b>(87.51)</b>	<b>189.16</b>	<b>(5.79)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>D</b>	<b>35.61</b>	<b>1.57</b>	<b>4.65</b>	<b>(1.66)</b>	<b>(6.52)</b>	<b>2.02</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>6.30</b>	<b>4.73</b>	<b>0.08</b>	<b>1.74</b>	<b>8.26</b>	<b>6.24</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>41.90</b>	<b>6.30</b>	<b>4.73</b>	<b>0.08</b>	<b>1.74</b>	<b>8.26</b>

**ANNEXURE I.1: RESTATED STATEMENT OF SHARE CAPITAL**
**(a) Authorised, Issued, Subscribed and Paid-up Share Capital**
**(Rs. in Lakhs)**

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>Authorized Share Capital:</b>						
<b>Equity Shares</b>						
Equity Shares of Rs. 10 each (Nos.)	5,000,000	5,000,000	500,000	500,000	500,000	500,000
Amount (Rs.)	500.00	500.00	50.00	50.00	50.00	50.00
<b>Issued, Subscribed &amp; fully paid up share capital</b>						
<b>Equity Shares</b>						
Equity Shares of Rs. 10 each (Nos.)	2,000,000	2,000,000	500,000	500,000	500,000	500,000
Amount (Rs.)	200.00	200.00	50.00	50.00	50.00	50.00
<b>Total Share Capital</b>	<b>200.00</b>	<b>200.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>

**(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year**

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>No of shares outstanding at the beginning of the year</b>						
-Equity Shares	2,000,000	500,000	500,000	500,000	500,000	500,000
-Equity Shares (amount in lacs)	200.00	50.00	50.00	50.00	50.00	50.00
<b>Add: Shares issued during the year</b>						
-Equity Shares	-	-	-	-	-	-
-Equity Shares (amount in lacs)	-	-	-	-	-	-
<b>Add: Bonus Shares issued during the year</b>						
-Equity Shares	-	1,500,000	-	-	-	-
-Equity Shares (amount in lacs)	-	150.00	-	-	-	-
<b>Less: Shares bought back during the year</b>						
-Equity Shares	-	-	-	-	-	-
-Equity Shares (amount in lacs)	-	-	-	-	-	-
<b>Shares outstanding at the end of the year</b>						
-Equity Shares	2,000,000	2,000,000	500,000	500,000	500,000	500,000
-Equity Shares (amount in lacs)	200.00	200.00	50.00	50.00	50.00	50.00

(c) Details of Shareholding more than 5% of the aggregate shares in the company

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>Equity Shares:</b>						
<b>1 Ramakrishnan M.K.</b>						
No of Shares	1,299,988	1,299,988	325,000	325,000	325,000	325,000
% of holding	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
<b>2 Anirvan Ghose</b>						
No of Shares	699,992	699,992	175,000	175,000	175,000	175,000
% of holding	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%

**ANNEXURE I2: RESTATED STATEMENT OF RESERVES & SURPLUS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>A. Balance in Statement of Profit &amp; Loss</b>						
Balance as at the beginning of the year	182.91	198.89	168.78	145.41	134.96	114.18
Add: Restated profit for the year	40.38	134.03	30.10	0.92	10.45	20.78
Add: Effect on account of change in method of depreciation	-	-	-	22.45	-	-
Less: Adjustments on account of income tax appropriation	-	-	-	-	-	-
<b>Balance as at the end of the year</b>	<b>223.29</b>	<b>182.91</b>	<b>198.89</b>	<b>168.78</b>	<b>145.41</b>	<b>134.96</b>
<b>Grand Total</b>	<b>223.29</b>	<b>182.91</b>	<b>198.89</b>	<b>168.78</b>	<b>145.41</b>	<b>134.96</b>

**ANNEXURE I3: RESTATED STATEMENT OF LONG-TERM BORROWINGS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>A. Loans from Banks</b>						
<b>Secured Loans</b>						
<b>Term Loans</b>						
- Axis Bank Limited	-	-	-	-	99.95	-
- Others	-	-	-	-	-	5.10
<b>Vehicle Loan</b>						
-ICICI Bank Limited	7.06	7.81	10.64	-	-	-
- Kotak Mahindra Prime Limited	-	-	-	-	1.34	-
<b>Total Secured loans</b>	<b>7.06</b>	<b>7.81</b>	<b>10.64</b>	<b>-</b>	<b>101.28</b>	<b>5.10</b>



Total Unsecured loans			-	-	-	-
<b>Grand Total</b>	<b>7.06</b>	<b>7.81</b>	<b>10.64</b>	<b>-</b>	<b>101.28</b>	<b>5.10</b>

**ANNEXURE I.4: RESTATED STATEMENT OF DEFERRED TAX LIABILITY (Net)**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>Deferred Tax Assets</b>						
Provision for gratuity benefits	1.46	0.03	0.25	2.81	1.54	0.21
Provision for leave encashment	0.61	0.26	(0.57)	0.70	0.25	0.25
Difference between depreciation on block of assets						1.25
<b>Total (a)</b>	<b>2.06</b>	<b>0.29</b>	<b>(0.32)</b>	<b>3.51</b>	<b>1.79</b>	<b>1.71</b>
<b>Deferred Tax Liability</b>						
Difference between depreciation on block of assets	7.87	7.55	5.11	11.58	0.36	-
Disallowance under the Income Tax Act						
<b>Total (b)</b>	<b>7.87</b>	<b>7.55</b>	<b>5.11</b>	<b>11.58</b>	<b>0.36</b>	<b>-</b>
<b>Net deferred tax asset/(liability)-{(a)-(b)}</b>	<b>(5.81)</b>	<b>(7.27)</b>	<b>(5.43)</b>	<b>(8.07)</b>	<b>1.43</b>	<b>1.71</b>

**ANNEXURE I.5: RESTATED STATEMENT OF LONG TERM PROVISIONS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>(a) Provision for employee benefits</b>						
-Provision for Gratuity	10.73	10.73	8.30	-	-	-
<b>Grand Total</b>	<b>10.73</b>	<b>10.73</b>	<b>8.30</b>	<b>-</b>	<b>-</b>	<b>-</b>

**ANNEXURE I.6: RESTATED STATEMENT OF OTHER LONG TERM LIABILITIES**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>(a) Other Long Term Liabilities</b>						
-Trade payable						
<b>Related Party</b>						
R & S Electronics	184.14	184.14	184.14	184.14	181.08	167.68
-Gratuity	10.73	10.73	8.30	-	-	-
<b>Grand Total</b>	<b>194.88</b>	<b>194.88</b>	<b>184.14</b>	<b>184.14</b>	<b>181.08</b>	<b>167.68</b>

**ANNEXURE I.7: RESTATED STATEMENT OF SHORT - TERM BORROWINGS**
**(Rs. In Lakhs)**

Particulars	As at	As at March,31				
	June 30,	2017	2016	2015	2014	2013
<b>A. Loans from Banks</b>						
<b>Secured Loans</b>						
Cash Credit Facility (Overdraft)						
-Axis Bank Limited	3.46	143.41	151.09	149.82	111.02	-
-Yes Bank Limited	143.62	-	-	-	-	-
<b>Total Secured loans from Bank</b>	<b>147.08</b>	<b>143.41</b>	<b>151.09</b>	<b>149.82</b>	<b>111.02</b>	<b>-</b>
<b>Unsecured Loans</b>						
- From Related Parties	-	-	5.12	5.09	6.99	6.37
- From Others	-	-	2.88	-	-	-
<b>Total Unsecured loans</b>	<b>-</b>	<b>-</b>	<b>2.88</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>147.08</b>	<b>143.41</b>	<b>159.09</b>	<b>154.91</b>	<b>118.01</b>	<b>6.37</b>

**ANNEXURE I.8: RESTATED STATEMENT OF TRADE PAYABLES**
**(Rs. In Lakhs)**

Particulars	As at	As at March,31				
	June 30,	2017	2016	2015	2014	2013
Payable to Micro, small and medium enterprises						
Payable to related parties (Refer I.8.1)	-	-	-	24.33	109.34	-
Payable to Others ( for Goods/ Services)	111.91	135.08	81.33	56.65	63.56	22.30
<b>Grand Total</b>	<b>111.91</b>	<b>135.08</b>	<b>81.33</b>	<b>80.98</b>	<b>172.90</b>	<b>22.30</b>

**I.8.1 Annexure of payable to related parties**

Particulars	As at June 30, 2017	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
<b>Company in which Directors and their relatives are Directors</b>	-	-	-	-	-	-
-R&S (India) Electronics Pvt Ltd	-	-	-	24.33	109.34	-
<b>Grand Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24.33</b>	<b>109.34</b>	<b>-</b>

**ANNEXURE I.9: RESTATED STATEMENT OF OTHER CURRENT LIABILITIES**
**(Rs. In Lakhs)**

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
Current Maturities of term loans from bank	4.16	4.16	4.16	1.34	3.76	3.42
Other creditors (Refer I.9.1)						
Advance received from customers (Refer I.9.1)	120.31	125.34	144.09	238.78	110.37	69.91
Statutory Dues Payable	18.75	42.18	10.36	12.81	10.21	15.44
Other Liabilites	17.16	23.09	23.43	13.50	6.90	5.78
<b>Grand Total</b>	<b>160.37</b>	<b>194.76</b>	<b>182.04</b>	<b>266.43</b>	<b>131.24</b>	<b>94.56</b>

**ANNEXURE L10: RESTATED STATEMENT OF SHORT TERM PROVISIONS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>Provision-others:</b>						
(i) Provision for Tax ( Net of Advance Tax)	86.04	71.09	2.50	1.31	0.24	-
- Provision for Tax	15.00	76.85	8.40	6.40	5.95	-
- Less: Advance Tax & TDS	71.04	5.76	5.90	5.09	5.71	-
(ii) Provision for Leave Encashment	7.72	2.88	3.72	5.57	3.30	2.49
(iii) Provision for Gratuity	17.87	8.15	10.50	17.97	8.88	3.90
(iv)provision for bonus	4.12	-	-	-	-	-
<b>Grand Total</b>	<b>110.15</b>	<b>82.12</b>	<b>16.71</b>	<b>24.85</b>	<b>12.42</b>	<b>6.39</b>

**ANNEXURE L11: RESTATED STATEMENT OF FIXED ASSETS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>Tangible Assets</b>						
<b>Land at Palghar</b>						
Gross Block						
-Opening Balance	63.00	63.00	63.00	63.00	63.00	62.89
-Additions during the year	-	-	-	-	-	0.11
<b>-Closing Balance</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>
Less: Accumulated Depreciation						
-Opening Balance	-	-	-	-	-	-
-For the Year	-	-	-	-	-	-
<b>-Closing Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Net Block		<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>
<b>Property at Palghar</b>							
Gross Block	-Opening Balance	9.29	9.29	9.29	9.29	9.29	9.29
	-Additions during the year	-	-	-	-	-	-
	<b>-Closing Balance</b>	9.29	9.29	9.29	9.29	9.29	9.29
Less: Accumulated Depreciation	-Opening Balance	0.90	0.77	0.63	1.52	1.11	0.68
	-For the Year	0.03	0.13	0.13	0.13	0.41	0.43
	-Deductions/ Adjustments	-	-	-	1.02	-	-
	<b>-Closing Balance</b>	0.94	0.90	0.77	0.63	1.52	1.11
Net Block		<b>8.35</b>	<b>8.39</b>	<b>8.52</b>	<b>8.66</b>	<b>7.77</b>	<b>8.18</b>
<b>Factory Building</b>							
Gross Block	-Opening Balance	116.74	115.83	112.06	104.36	-	-
	-Additions during the year	1.15	0.91	3.78	7.70	104.36	-
	<b>-Closing Balance</b>	117.89	116.74	115.83	112.06	104.36	-
Less: Accumulated Depreciation	-Opening Balance	12.60	8.91	5.31	5.44	-	-
	-For the Year	0.92	3.69	3.59	3.51	5.44	-
	-Deductions/ Adjustments				3.64		
	<b>-Closing Balance</b>	13.52	12.60	8.91	5.31	5.44	-
Net Block		<b>104.37</b>	<b>104.14</b>	<b>106.93</b>	<b>106.74</b>	<b>98.92</b>	-
<b>Factory Shed</b>							
Gross Block	-Opening Balance	24.39	24.39	24.39	24.39	-	-
	-Additions during the year	-	-	-	-	24.39	-
	<b>-Closing Balance</b>	24.39	24.39	24.39	24.39	24.39	-
Less: Accumulated	-Opening Balance	3.05	2.28	1.50	2.23	-	-

Depreciation							-
	-For the Year	0.19	0.77	0.77	0.77	2.23	-
	-Deductions/ Adjustments				1.50		
	<b>-Closing Balance</b>	3.24	3.05	2.28	1.50	2.23	-
Net Block		<b>21.15</b>	<b>21.34</b>	<b>22.11</b>	<b>22.88</b>	<b>22.15</b>	-
<b>Plant and Machinery</b>							
Gross Block	-Opening Balance	31.45	31.45	31.45	26.57	18.41	18.41
	-Additions during the year	-	-	-	4.88	10.98	-
	-Deductions during the year					2.82	-
	<b>-Closing Balance</b>	31.45	31.45	31.45	31.45	26.57	18.41
Less: Accumulated Depreciation	-Opening Balance	8.83	6.76	4.69	7.19	5.02	2.85
	-For the Year	0.52	2.07	2.07	1.91	2.25	2.16
	-Deductions/ Adjustments	-	-	-	4.41	0.08	-
	<b>-Closing Balance</b>	9.35	8.83	6.76	4.69	7.19	5.02
Net Block		<b>22.10</b>	<b>22.62</b>	<b>24.69</b>	<b>26.76</b>	<b>19.38</b>	<b>13.39</b>
<b>Electrical Installation</b>							
Gross Block	-Opening Balance	14.82	14.82	14.82	12.10	2.68	2.68
	-Additions during the year	-	-	-	2.72	9.42	-
	<b>-Closing Balance</b>	14.82	14.82	14.82	14.82	12.10	2.68
Less: Accumulated Depreciation	-Opening Balance	3.55	2.60	1.58	1.36	0.64	0.32
	-For the Year	0.24	0.95	1.02	1.02	0.72	0.33
	-Deductions/ Adjustments	-	-	-	0.81		
	<b>-Closing Balance</b>	3.79	3.55	2.60	1.58	1.36	0.64
Net Block		<b>11.03</b>	<b>11.27</b>	<b>12.22</b>	<b>13.24</b>	<b>10.74</b>	<b>2.03</b>

<b>Lift at Palghar</b>							
Gross Block	-Opening Balance	5.67	5.67	5.67	5.67	-	-
	-Additions during the year	-	-	-	-	5.67	-
	<b>-Closing Balance</b>	5.67	5.67	5.67	5.67	5.67	-
Less: Accumulated Depreciation	-Opening Balance	1.16	0.80	0.44	0.24	-	-
	-For the Year	0.09	0.36	0.36	0.36	0.24	-
	-Deductions/ Adjustments	-	-	-	0.16		
	<b>-Closing Balance</b>	1.25	1.16	0.80	0.44	0.24	-
Net Block		<b>4.41</b>	<b>4.50</b>	<b>4.86</b>	<b>5.22</b>	<b>5.42</b>	-
<b>Paint Booth at Palghar</b>							
Gross Block	-Opening Balance	3.26	3.26	3.26	3.26	-	-
	-Additions during the year	-	-	-	-	3.26	-
	<b>-Closing Balance</b>	3.26	3.26	3.26	3.26	3.26	-
Less: Accumulated Depreciation	-Opening Balance	0.64	0.44	0.23	0.07	-	-
	-For the Year	0.05	0.21	0.21	0.21	0.07	-
	-Deductions/ Adjustments	-	-	-	0.04		
	<b>-Closing Balance</b>	0.69	0.64	0.44	0.23	0.07	-
Net Block		<b>2.56</b>	<b>2.61</b>	<b>2.82</b>	<b>3.03</b>	<b>3.19</b>	-
<b>Computer Systems</b>							
Gross Block	-Opening Balance	9.86	5.74	5.74	4.39	2.12	1.97
	-Additions during the year	1.38	4.12	-	1.35	2.27	0.15
	<b>-Closing Balance</b>	11.24	9.86	5.74	5.74	4.39	2.12
Less: Accumulated Depreciation	-Opening Balance	6.11	4.29	2.97	2.14	1.69	1.44
	-For the Year	0.51	1.82	1.32	1.22	0.45	0.26
	-Deductions/ Adjustments	-	-	-	0.39		

	<b>-Closing Balance</b>	6.61	6.11	4.30	2.97	2.14	1.69
Net Block		<b>4.63</b>	<b>3.75</b>	<b>1.44</b>	<b>2.77</b>	<b>2.25</b>	<b>0.43</b>
<b>Software</b>							
Gross Block	-Opening Balance	5.84	3.94	1.72	1.01	1.01	0.40
	-Additions during the year	0.38	1.90	2.22	0.71	-	0.61
	<b>-Closing Balance</b>	6.22	5.84	3.94	1.72	1.01	1.01
Less: Accumulated Depreciation	-Opening Balance	1.95	1.18	0.59	0.63	0.38	0.13
	-For the Year	0.23	0.76	0.59	0.26	0.25	0.26
	-Deductions/ Adjustments	-	-	-	0.30		
	<b>-Closing Balance</b>	2.18	1.95	1.18	0.59	0.63	0.38
Net Block		<b>4.04</b>	<b>3.89</b>	<b>2.76</b>	<b>1.13</b>	<b>0.37</b>	<b>0.62</b>
<b>Motor Car</b>							
Gross Block	-Opening Balance	33.28	33.28	27.17	24.07	24.07	24.07
	-Additions during the year	-	-	30.17	3.10	-	-
	-Deductions during the year	-	-	24.07			
	<b>-Closing Balance</b>	33.28	33.28	33.28	27.17	24.07	24.07
Less: Accumulated Depreciation	-Opening Balance	9.38	4.11	14.97	15.97	13.14	9.32
	-For the Year	1.32	5.27	6.61	6.56	2.83	3.82
	-Deductions/ Adjustments	-	-	17.46	7.56	-	-
	<b>-Closing Balance</b>	10.70	9.38	4.11	14.97	15.97	13.14
Net Block		<b>22.58</b>	<b>23.89</b>	<b>29.16</b>	<b>12.20</b>	<b>8.10</b>	<b>10.93</b>
<b>Motor Cycle</b>							
Gross Block	-Opening Balance	0.63	0.63	0.63	0.52	0.52	0.52
	-Additions during the	-	-	-	0.63	-	

	year						-
	-Deductions during the year	-	-	-	0.52	-	-
	<b>-Closing Balance</b>	0.63	0.63	0.63	0.63	0.52	0.52
Less: Accumulated Depreciation	-Opening Balance	0.17	0.11	0.05	0.37	0.31	0.24
	-For the Year	0.01	0.06	0.06	0.06	0.05	0.07
	-Deductions/ Adjustments	-	-	-	0.37		
	<b>-Closing Balance</b>	0.19	0.17	0.11	0.05	0.37	0.31
Net Block		<b>0.44</b>	<b>0.46</b>	<b>0.52</b>	<b>0.58</b>	<b>0.16</b>	<b>0.21</b>
<b>Furniture and Fixtures</b>							
Gross Block	-Opening Balance	9.20	9.20	9.04	8.64	1.90	1.80
	-Additions during the year	-	-	0.16	0.39	6.74	0.10
	<b>-Closing Balance</b>	9.20	9.20	9.20	9.04	8.64	1.90
Less: Accumulated Depreciation	-Opening Balance	3.72	2.76	1.80	1.87	1.10	0.93
	-For the Year	0.24	0.96	0.96	0.93	0.78	0.16
	-Deductions/ Adjustments	-	-	-	1.00		
	<b>-Closing Balance</b>	3.96	3.72	2.76	1.80	1.87	1.10
Net Block		<b>5.24</b>	<b>5.48</b>	<b>6.44</b>	<b>7.24</b>	<b>6.77</b>	<b>0.81</b>
<b>Office Equipments</b>							
Gross Block	-Opening Balance	7.35	6.47	5.52	3.57	3.39	2.81
	-Additions during the year	0.37	0.88	0.95	1.95	0.18	0.58
	<b>-Closing Balance</b>	7.73	7.35	6.47	5.52	3.57	3.39
Less: Accumulated Depreciation	-Opening Balance	5.44	4.42	2.49	1.41	0.98	0.62
	-For the Year	0.22	1.02	1.93	1.93	0.43	0.36
	-Deductions/ Adjustments	-	-	-	0.86		
	<b>-Closing Balance</b>	5.65	5.44	4.42	2.49	1.41	



							0.98
Net Block		<b>2.07</b>	<b>1.92</b>	<b>2.05</b>	<b>3.04</b>	<b>2.16</b>	<b>2.41</b>
<b>Tools and Equipments</b>							
Gross Block	-Opening Balance	8.38	8.31	7.57	6.60	3.00	-
	-Additions during the year	3.02	0.07	0.74	0.97	3.60	3.00
	<b>-Closing Balance</b>	11.39	8.38	8.31	7.57	6.60	3.00
Less: Accumulated Depreciation	-Opening Balance	1.82	1.28	0.76	0.87	0.28	-
	-For the Year	0.28	0.54	0.52	0.48	0.59	0.28
	-Deductions/ Adjustments	-	-	-	0.59		
	<b>-Closing Balance</b>	2.10	1.82	1.28	0.76	0.87	0.28
Net Block		<b>9.30</b>	<b>6.56</b>	<b>7.03</b>	<b>6.81</b>	<b>5.73</b>	<b>2.72</b>
<b>Total Tangible Assets</b>		<b>285.27</b>	<b>283.82</b>	<b>294.56</b>	<b>283.29</b>	<b>256.12</b>	<b>104.74</b>
<b>Capital Work in Progress</b>							
Gross Block	-Opening Balance	6.42	4.00	4.00	3.93	1.77	11.68
	-Additions during the year	-	2.43	-	0.07	2.16	1.77
	-Deductions during the year					-	11.68
	<b>-Closing Balance</b>	6.42	6.42	4.00	4.00	3.93	1.77
Less: Accumulated Depreciation	-Opening Balance	-	-	-	-	-	-
	-For the Year	-	-	-	-	-	-
	<b>-Closing Balance</b>	-	-	-	-	-	-
Net Block		<b>6.42</b>	<b>6.42</b>	<b>4.00</b>	<b>4.00</b>	<b>3.93</b>	<b>1.77</b>
<b>Total Capital Work-in-Progress</b>		<b>6.42</b>	<b>6.42</b>	<b>4.00</b>	<b>4.00</b>	<b>3.93</b>	<b>1.77</b>
<b>Total Depreciation during the year</b>		<b>4.85</b>	<b>18.62</b>	<b>20.15</b>	<b>19.36</b>	<b>16.74</b>	<b>8.13</b>

**ANNEXURE I.12: RESTATED STATEMENT OF LOANS & ADVANCES**

(Rs. In Lakhs)

Particulars	Current Portion					
	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
Capital Advances						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	-	-
Doubtful	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
Loans and advances to employees						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	0.12	0.14	1.09	0.14	0.12	1.16
Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>0.12</b>	<b>0.14</b>	<b>1.09</b>	<b>0.14</b>	<b>0.12</b>	<b>1.16</b>
Security deposits						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	-	-
Doubtful	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
Advance recoverable in Cash						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	58.43	44.83	51.51	93.07	103.82	7.08
Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>58.43</b>	<b>44.83</b>	<b>51.51</b>	<b>93.07</b>	<b>103.82</b>	<b>7.08</b>
Prepaid expenses	3.82	1.27	1.48	3.61	2.28	0.99
<b>Total</b>	<b>3.82</b>	<b>1.27</b>	<b>1.48</b>	<b>3.61</b>	<b>2.28</b>	<b>0.99</b>
Balances with government authorities						
Unsecured, considered good						
(i) Income Tax & TDS	-	-	-	-	-	-
(ii) Haryana vat tax recoverble form sales tax department	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
Others						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	36.38	47.21	56.83	27.42	43.32	37.98
<b>Total</b>	<b>36.38</b>	<b>47.21</b>	<b>56.83</b>	<b>27.42</b>	<b>43.32</b>	<b>37.98</b>
<b>Grand Total</b>	<b>98.75</b>	<b>93.45</b>	<b>110.91</b>	<b>124.25</b>	<b>149.54</b>	<b>47.21</b>

Out of the above amounts, outstanding from promoters/promoter group/group directors/relative of directors are as follows:

(Rs. In Lakhs)

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
From Promoters/Directors/Relatives	-	-	-	-	-	-
From Group Companies	-	-	-	-	-	-
<b>Grand Total</b>	-	-	-	-	-	-

**ANNEXURE I.13: RESTATED STATEMENT OF OTHER NON-CURRENT ASSETS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
Sales Tax/VAT receivables	-	-	-	-	-	7.14
Income Tax receivables	-	-	-	-	-	-
Security Deposits	1.15	1.06	1.06	2.98	3.04	4.60
Advance Tax net of provisions	-	-	-	-	-	4.29
<b>Grand Total</b>	<b>1.15</b>	<b>1.06</b>	<b>1.06</b>	<b>2.98</b>	<b>3.04</b>	<b>16.03</b>

**ANNEXURE I.14: RESTATED STATEMENT OF INVENTORIES**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
(at cost or net realisable value, whichever is lower)						
Raw materials and Auxiliary goods	401.38	371.93	278.04	349.80	376.54	246.84
Finished/ Semi Finished Goods	38.17	49.56	73.64	46.20	49.24	18.75
Stock-in-Trade	66.93	24.44	28.33	58.34	35.61	12.29
<b>Grand Total</b>	<b>506.68</b>	<b>445.93</b>	<b>380.00</b>	<b>454.34</b>	<b>461.39</b>	<b>277.88</b>

I.14.1 Finished/Semi-finished Goods

Particulars	As at June 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
<b>Finished Goods</b>						
-Speakers/Amplifiers	38.17	49.56	73.64	46.20	49.24	18.75
<b>Total</b>	<b>38.17</b>	<b>49.56</b>	<b>73.64</b>	<b>46.20</b>	<b>49.24</b>	<b>18.75</b>

**ANNEXURE I.15: RESTATED STATEMENT OF TRADE RECEIVABLES**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
Outstanding for a period less than six month from the date they are due for payment						
Unsecured, Considered Good	203.30	288.83	79.02	44.79	24.68	21.21
<b>Total</b>	<b>203.30</b>	<b>288.83</b>	<b>79.02</b>	<b>44.79</b>	<b>24.68</b>	<b>21.21</b>
Outstanding for a period exceeding six months from the date they are due for payment						
Unsecured, Considered Good	16.43	22.20	22.04	24.19	10.24	8.30
<b>Total</b>	<b>16.43</b>	<b>22.20</b>	<b>22.04</b>	<b>24.19</b>	<b>10.24</b>	<b>8.30</b>
<b>Grand Total</b>	<b>219.73</b>	<b>311.03</b>	<b>101.06</b>	<b>68.98</b>	<b>34.92</b>	<b>29.51</b>

I.15.1 Out of the above amounts outstanding from promoters/promoter group/group directors/relative of directors are as follows:

(Rs. In Lakhs)

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
<b>From Promoters/Directors/Relatives</b>						
<b>From Company in which Directors and their relatives are Directors</b>						
-Linear Electronics Pvt. Ltd.	0.00	0.00	1.65	1.65	1.65	1.98
-R & S (India) Electronics Pvt. Ltd.	77.49	191.80	19.50	-	-	-
<b>Grand Total</b>	<b>77.49</b>	<b>191.80</b>	<b>21.15</b>	<b>1.65</b>	<b>1.65</b>	<b>1.98</b>

**ANNEXURE I.16: RESTATED STATEMENT OF CASH & CASH EQUIVALENTS**
**(Rs. In Lakhs)**

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
<b>A) Cash and Cash Equivalents</b>						
(a)Cash on hand	0.03	0.07	0.18	0.53	0.01	0.24
(b)Balances with Banks:	<b>41.87</b>	6.22				
- in current accounts			4.54	(0.45)	1.73	8.02
<b>Grand Total</b>	<b>41.90</b>	<b>6.30</b>	<b>4.73</b>	<b>0.08</b>	<b>1.74</b>	<b>8.26</b>

**ANNEXURE I.17: RESTATED STATEMENT OF OTHER CURRENT ASSETS**
**(Rs. In Lakhs)**

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
<b>Unsecured:</b>						
Unamortized Preliminary Expense	-	-	-	-	-	-
Interest accrued and due on Deposits/Advances	-	-	-	-	-	-
<b>Grand Total</b>	-	-	-	-	-	-

**NOTE II.1: RESTATED STATEMENT OF REVENUE FROM OPERATIONS**
**(Rs. In Lakhs)**

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
<b>A) Sales of products</b>						
Manufactured Goods						
-Gross Value	293.39	1249.47	1,029.43	1,046.81	760.67	397.67
-Less:- Excise duty	30.26	104.72	72.82	85.73	87.41	16.96
<b>Net Value</b>	<b>263.14</b>	<b>1,144.75</b>	<b>956.62</b>	<b>961.09</b>	<b>673.26</b>	<b>380.71</b>
-Traded Goods	88.89	164.55	241.15	152.19	174.53	92.96
<b>B) Sale of Services</b>	23.09	66.79	95.57	62.08	70.77	52.55
<b>C) Other Operating Revenue</b>						
-Duty Drawback	0.44	0.49	5.08	2.10	1.60	1.71
-Sale of FPS Licence			-	-	-	-
<b>Net Revenue From Operations</b>	<b>375.56</b>	<b>1,376.58</b>	<b>1,298.42</b>	<b>1,177.46</b>	<b>920.15</b>	<b>527.93</b>

Notes:

Particulars	As at June 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
<b>II.1.1</b>						
<b>a. Manufactured Goods</b>						
<b><u>Finished Goods</u></b>						
-Speakers/Amplifiers	263.14	1,144.75	956.62	961.09	673.26	380.71
<b>Total</b>	<b>263.14</b>	<b>1,144.75</b>	<b>956.62</b>	<b>961.09</b>	<b>673.26</b>	<b>380.71</b>
<b>b. Traded Goods</b>						
-Amplifiers	88.89	164.55	241.15	152.19	174.53	92.96
<b>Total</b>	<b>88.89</b>	<b>164.55</b>	<b>241.15</b>	<b>152.19</b>	<b>174.53</b>	<b>92.96</b>
<b>Revenue from Operations</b>	<b>375.56</b>	<b>1,376.58</b>	<b>1,298.42</b>	<b>1,177.46</b>	<b>920.15</b>	<b>527.93</b>

**NOTE II.2: RESTATED STATEMENT OF OTHER INCOME**

(Rs. In Lakhs)

Particulars	Recurring / Non- Recurring	For Period Ended June 30,	For the year Ended March 31,				
		2017	2017	2016	2015	2014	2013
Dividend Income	Recurring	-	0.03	0.03	0.03	0.03	0.03
Amount Writtenback/Bad Debts Recovered	Non-recurring	-	-	-	-	-	-
Foreign Exchange Gain on Payment/Receipt	Non-recurring	0.34	4.25	3.21	2.57	4.47	1.93
Freight Forwarding Income - Sale	Non-recurring	1.31	-	-	-	-	-
Sundry Amount Write off back	Non-recurring	-	-	-	0.07	-	-
Profit on sale of Motor Car	Non-recurring	-	-	0.50	-	-	-
Misc. Income	Non-recurring	8.99	4.12	4.86	10.41	1.10	0.36
<b>Grand Total</b>		<b>10.64</b>	<b>8.40</b>	<b>8.61</b>	<b>13.08</b>	<b>5.60</b>	<b>2.33</b>

**NOTE II.3: RESTATED STATEMENT OF COST OF MATERIAL CONSUMED**
**(Rs. In Lakhs)**

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
<b>Consumption of Raw Material</b>						
Inventory at the beginning of the year	371.93	278.04	349.80	376.54	246.84	227.12
Add: Purchase/ (Less Returns)	106.07	406.91	488.65	490.47	498.82	220.41
<b>Total</b>	<b>477.99</b>	<b>684.95</b>	<b>838.45</b>	<b>867.01</b>	<b>745.66</b>	<b>447.53</b>
Less: Inventory at the end of the year	401.58	371.93	278.04	349.80	376.54	246.84
<b>Total</b>	<b>76.42</b>	<b>313.02</b>	<b>560.42</b>	<b>517.21</b>	<b>369.12</b>	<b>200.69</b>
<b>Cost of material consumed during the year</b>	<b>76.42</b>	<b>313.02</b>	<b>560.42</b>	<b>517.21</b>	<b>369.12</b>	<b>200.69</b>

Notes:

**II.3.1 Value of imported & indigenous Raw Material and Packaging material consumed and the percentage of each to the total consumption**
**(Rs. in Lakhs)**

Particulars	Upto June 30, 2017		2016-17		2015-16		2014-15		2013-14		2012-13	
	Amount	% age	Amount	% age	Amount	% age	Amount	% age	Amount	% age	Amount	% age
<b>Raw Material</b>												
-Indegenious Goods	31.22	40.86	131.91	42.64	279.08	49.80%	96.11	18.58%	88.54	23.99%	69.22	34.49%
-Imported Material	45.19	59.14	181.11	57.86	281.33	50.20%	421.11	81.42%	280.58	76.01%	131.47	65.51%
<b>Total</b>	<b>76.41</b>	<b>100%</b>	<b>313.02</b>	<b>100%</b>	<b>560.41</b>	<b>100%</b>	<b>517.21</b>	<b>100%</b>	<b>369.12</b>	<b>100%</b>	<b>200.69</b>	<b>100%</b>

**II.3.2 Detail of Raw Material Consumed**
**(Rs. in Lakhs)**

Particulars	Upto June 30, 2017		2016-17		2015-16		2014-15		2013-14		2012-13	
	Amount	% age	Amount	% age	Amount	% age	Amount	% age	Amount	% age	Amount	% age
<b>Raw Materials</b>												
-Audio Components	76.41	100%	313.02	100%	560.42	100%	517.21	100%	369.12	100%	200.69	100%
<b>Grand Total</b>	<b>76.41</b>	<b>100%</b>	<b>313.02</b>	<b>100%</b>	<b>560.42</b>	<b>100%</b>	<b>517.21</b>	<b>100%</b>	<b>369.12</b>	<b>100%</b>	<b>200.69</b>	<b>100%</b>

**NOTE II.4: RESTATED STATEMENT OF PURCHASE OF STOCK-IN-TRADE**
**(Rs. In Lakhs)**

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
<b>Traded Goods:</b>						
-Amplifiers (Audio Equipments)	99.46	170.10	136.11	139.80	155.39	47.88
<b>Total</b>	<b>99.46</b>	<b>170.10</b>	<b>136.11</b>	<b>139.80</b>	<b>155.39</b>	<b>47.88</b>

**NOTE II.5: RESTATED STATEMENT OF MANUFACTURING EXPENSES**
**(Rs. In Lakhs)**

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Labour Charges	0.68	2.84	4.79	6.25	4.53	0.61
Rent - Factory	1.80	5.40	9.00	9.18	15.65	19.74
Packing Charges (Local)	0.11	0.15	0.35	-	-	-
Freight & Forwarding	0.48	2.89	3.64	1.74	2.54	2.12
Electricity Expenses	2.70	9.02	5.08	5.65	4.66	3.14
<b>Total</b>	<b>5.78</b>	<b>20.29</b>	<b>22.86</b>	<b>22.82</b>	<b>27.38</b>	<b>25.61</b>

**NOTE II.6: RESTATED STATEMENT OF CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN-TRADE**
**(Rs. In Lakhs)**

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
<b>Inventories at the end of the Year</b>						
-Finished Goods	38.17	49.56	73.64	46.20	49.24	18.75
-Stock-in-Trade	66.93	24.44	28.33	58.34	35.61	12.29
-Work-in-Progress	-	-	-	-	-	-
<b>Total</b>	<b>105.10</b>	<b>74.00</b>	<b>101.97</b>	<b>104.54</b>	<b>84.85</b>	<b>31.04</b>
<b>Inventories at the beginning of the Year</b>						
-Finished Goods	49.56	73.64	46.20	49.24	18.75	21.34
-Stock-in-Trade	24.44	28.33	58.34	35.61	12.29	28.28
-Work-in-Progress	-	-	-	-	-	-
<b>Total</b>	<b>74.00</b>	<b>101.97</b>	<b>104.54</b>	<b>84.85</b>	<b>31.04</b>	<b>49.62</b>
<b>Change in Inventories of Finished Goods, Work-in-progress &amp; Stock In trade</b>	<b>(31.10)</b>	<b>27.96</b>	<b>2.57</b>	<b>(19.69)</b>	<b>(53.81)</b>	<b>18.58</b>



**NOTE II.7: RESTATED STATEMENT OF EMPLOYEE BENEFIT EXPENSES**
**(Rs. In Lakhs)**

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
-Directors Remuneration	16.74	39.10	14.39	13.20	13.50	-
-Salary & Wages	68.93	241.20	243.54	222.50	161.45	106.22
<b>Total</b>	<b>85.67</b>	<b>280.30</b>	<b>257.93</b>	<b>235.70</b>	<b>174.95</b>	<b>106.22</b>

**NOTE II.8: RESTATED STATEMENT OF FINANCE COST**
**(Rs. In Lakhs)**

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
<b>Interest Expenses</b>						
-Interest Paid to Bank on Car Loan	0.29	1.33	0.74	0.29	0.64	0.95
-Interest Paid to Bank OD & Loan	3.14	15.00	16.73	18.68	11.85	-
<b>Other Borrowing Costs</b>						
-Bank Charges	3.09	2.68	3.25	4.16	6.18	1.42
<b>Total</b>	<b>6.52</b>	<b>19.01</b>	<b>20.72</b>	<b>23.13</b>	<b>18.66</b>	<b>2.36</b>

**NOTE II.9: RESTATED STATEMENT OF OTHER EXPENSES**
**(Rs. In Lakhs)**

Particulars	As at June 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
<b><u>Administrative Expenses</u></b>						
Conveyance	0.44	1.99	4.22	7.13	6.57	4.63
Donation	-	-	-	20.00	0.05	-
Central Excise Payment	-	-	-	0.27	0.01	-
Insurance	1.07	5.36	5.40	5.85	3.20	3.37
Interest on Statutory Dues	-	-	-	1.12	0.38	-
Postage and Courier Charges	0.25	0.85	0.40	0.40	0.38	0.20
Telephone Expenses	0.74	2.99	2.93	3.88	3.28	2.38
Loading/Unloading	-	0.05	0.25	-	1.06	0.51

Loss on sale of Motor Cycle	-	-	-	0.23	-	-
License Fee	-	0.36	0.29	0.30	0.30	0.17
Office Expenses	0.65	2.74	1.04	0.70	1.11	0.26
Printing and Stationary	1.23	2.64	2.70	2.39	2.28	1.03
Professional Charges	38.17	97.13	68.19	58.78	67.71	31.56
Remuneration to Auditor						
-Audit Fees	0.11	0.43	0.43	0.43	0.40	0.20
-Tax Audit Fees	0.05	0.20	0.20	0.20	0.20	0.15
Rates & Taxes	0.05	3.53	1.76	0.13	0.25	0.18
Rent-Office	0.18	9.06	10.72	10.72	10.47	1.85
Repairs & Maintenance - Motor Car	0.78	2.82	2.89	3.18	2.28	0.28
Repairs & Maintenance - General	2.86	11.81	10.00	7.39	10.67	21.61
Repairs & Maintenance - Computers	0.02	0.66	1.70	0.11	0.04	0.40
Security Expenses	1.56	6.62	6.60	5.05	10.22	4.30
Misc. Expenses	2.20	3.66	0.91	0.67	0.40	0.22
<b>Total</b>	<b>50.36</b>	<b>152.89</b>	<b>120.61</b>	<b>128.92</b>	<b>121.26</b>	<b>73.29</b>
<b><u>Selling &amp; Distribution Expenses</u></b>	-					
Advertisement Expenses	0.30	1.51	1.54	0.83	0.01	0.10
Amounts Written off	0.05	11.93	4.80	-	2.35	0.10
Business Promotion	3.44	7.51	9.41	3.46	4.07	0.13
Freight & Cartage(Export)	0.68	0.63	1.22	1.22	3.46	
Commission	9.54	95.87	60.57	42.97	17.46	0.38

Hotel & Accomodation	1.65	5.00	5.41	3.28	4.55	2.12
Transport Charges	0.28	2.26	0.84	8.53	5.23	0.78
Travelling Expenses	18.39	44.59	46.02	46.19	42.25	13.72
Bad Debts	-	-	-	-	-	-
<b>Total</b>	<b>34.33</b>	<b>169.30</b>	<b>129.80</b>	<b>106.48</b>	<b>79.37</b>	<b>17.33</b>
<b>Grand Total</b>	<b>84.69</b>	<b>322.18</b>	<b>250.41</b>	<b>235.40</b>	<b>200.64</b>	<b>90.62</b>

**Annexure IV: Basis of Preparation and Significant Accounting Polices of the Restated Standalone Financial Statements for the period ended June 30, 2017 and years ended March 31, 2017, 2016, 2015, 2014 and 2013.**

**1. General Information**

Pulz Electronics Limited was incorporated on July 25, 2005 with Registrar of Companies, Kolkata, West Bengal as Private Limited Company under the provisions of the Companies Act, 1956. The Company develops and manufacture high quality audio system and solution that capitalize on the emergence of new Co-Axial technology and line array based speaker systems for the cinema, Pro Audio, Studio and Home Audio Industries such as Co-Axial Surround Speaker, Hi Power and in wall Subwoofers, Hi Power Co-Axial Speakers etc at Palghar, Mumbai.

**2. Basis of Preparation of Restated Standalone Summary Financial Information**

i. The Restated Standalone Summary Statement of Assets and Liabilities of the Company as at June 30, 2017 and March 31, 2017, 2016, 2015, 2014 and 2013 and the related Restated Standalone Summary Statement of Profit and Loss and Cash Flows for the period ended June 30, 2017 and years ended March 31, 2017, 2016, 2015, 2014 and 2013 (collectively referred to as the 'Restated Standalone Summary Financial Information') have been prepared specifically for the purpose of inclusion in the Offer Documents to be filed with NSE (Emerge Platform) in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

ii. The Restated Standalone Summary Financial Information has been prepared by applying necessary adjustments to:

a. the standalone financial statements ('financial statements') of the Company for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, prepared and presented under the historical cost convention using the accrual system of accounting in accordance with the generally accepted accounting principles in India ('Indian GAAP'), the provisions of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act, 2013 (with effect from 01 April, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014), to the extent applicable and in the manner so required, and ;

b. the standalone interim financial statements for the period ended June 30, 2017 (April to September, 2016), which have been prepared and presented under the historical cost on the accrual basis of accounting and in accordance with the generally accepted accounting principles in India ("GAAP"), the provisions of the Companies Act, 2013, the

Accounting Standard (AS) 25, Interim Financial Reporting and other accounting standards as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable and in the manner so required.

iii. With effect from 1 April 2014, Schedule III notified under the Act, has become applicable to the Company for the preparation and presentation of its financial statements. Accordingly, previous years' figures have been regrouped/reclassified wherever applicable. Appropriate re-classifications/regrouping have been made in the Restated Standalone Summary Financial Information wherever required, to corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the audited financial statements of the Company and the requirement of SEBI Regulations. The financial statements are prepared in Indian rupees rounded off to the nearest lakhs.

### **Operating Cycle:**

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalent.

## **3. Significant Accounting Policies:**

### **3.1 Use of Estimates**

The preparation of financial statements in conformity with GAAP in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of financial statements, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. On an ongoing basis, estimates are evaluated based on historical experience and on various other assumptions that are believed to be reasonable, the results of which forms the basis for making judgments about the carrying value of assets and liabilities. Actual results could differ from those estimates. Any revision to estimates or difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

### **3.2 Fixed Assets**

(i) Fixed assets are accounted for on historical cost basis (inclusive of the cost of installation and other incidental costs till commencement of commercial production) net of recoverable taxes, less accumulated depreciation and impairment loss, if any.

(ii) Expenditure on renovation/ modernization relating to existing fixed assets is added to the cost of such assets where it increases its performance/life significantly.

(iii) Cost of leasehold land is amortized over the period of lease.

### **3.3 Depreciation**

- (i) Depreciation on fixed assets is provided on Straight line method as per the useful life of the assets estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013.
- (ii) Depreciation in respect of addition to fixed assets is provided on pro-rata basis from month to month in which such assets was acquired/ installed

### **3.4 Revenue Recognition**

(i) All known income and expenditure quantifiable till the date of signing of report are accounted on accrual basis when virtual certainty is established.

(ii) Sales Revenue is recognised when property in the goods with all risk rewards and effective control of goods usually associated with ownership are transferred to buyer.

(iii) Sales are stated net of trade discounts and sales taxes.

(iv) The expenses and income considered payable and receivable respectively are accounted for on accrual basis.

### **3.5 Provisions and contingent liabilities**

(i) The Company creates a provision when there is a present obligation arising as result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balances sheet date and are not discounted to its present value.

(ii) A disclosure for a contingent liability is made when there is a present obligation arising as a result of past event that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

### **3.6 Inventory Valuation**

Inventories are valued at the lower of cost and net realisable value.

### **3.7 Impairment of Assets**

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impaired loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed, if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized, the carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss being recognized for the asset in prior year/s.

### **3.8 Borrowing costs**

Borrowing costs attributable to the acquisition and/or construction of qualifying assets are capitalized as a part of the cost of such assets, upto the date when such assets are ready for intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss.

### **3.9 Foreign Currency Transactions**

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currency existing at balance sheet date are translated at the year end exchange rates. Exchange rate differences arising on settlement of transaction and translation of monetary items are recognized as

income or expenses in the year in which they arise. Premium or discount on forward exchange contract is amortised as income or expense over the life of the contract. Exchange difference on such contract is recognized in the Statement of Profit and Loss in the reporting period in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward contract is recognized as income or expenditure during the period.

### 3.10 Taxation

Provision for current taxes is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred Tax resulting from “timing differences” between taxable and accounting income is accounted for using the tax rates and laws that have been substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

### 3.11 Earnings per Share:

Basic earnings per share is calculated by dividing net profit of the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**The above should necessarily be read with the ‘Statement of Material Adjustments to the Restated Standalone Financial Statements’ appearing in Annexure – V and ‘Notes to the Restated Standalone Financial Statements’ appearing in Annexure – VI.**

#### ANNEXURE – V: STATEMENT OF RECONCILIATION OF RESTATED PROFITS TO PROFITS AS PER AUDITED FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For period Ended June 30,	For the Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Profit after tax (as per audited financial statements)	40.38	134.03	30.10	0.90	10.45	20.78
Restatement Adjustments	-	-	-	-	-	-
<b>Profit after Tax, as restated</b>	<b>40.38</b>	<b>134.03</b>	<b>30.10</b>	<b>0.90</b>	<b>10.45</b>	<b>20.78</b>

#### ANNEXURE VI: OTHER SIGNIFICANT NOTES

1. Closing stock is as taken, valued & certified by the management of the company.
2. The company can not identify the enterprises which have been providing goods and services to the company and which qualify under the definition of Micro Small and Medium Enterprise Development Act, 2006. Hence, the details required to be disclosed in this respect, can not be disclosed.
3. In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated if realized in ordinary course of business. Provisions for known liabilities are made & not in excess of the amount reasonably necessary. Moreover Balances of Unsecured Loans, Receivables, Loans & Advances and Current Liabilities are subject to confirmation, reconciliation and adjustments, if any

4. The figures of the previous year have been regrouped / recast wherever necessary so as to make them comparable with current year's figures. Figures have been rounded to nearest rupees in Lakhs.

#### ANNEXURE VII: CONTINGENT LIABILITIES

(Rs. in Lakhs)

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
Interest on Income Tax	-	-	-	-	-	-
Penalty - Excise Duty	0.40	0.40	-	-	-	-
TDS Demand	0.36	0.36	0.36	0.36	0.36	0.36
Income Tax Demand	3.99	3.99	3.99	3.99	3.99	3.99
<b>Grand Total</b>	<b>4.75</b>	<b>4.75</b>	<b>4.35</b>	<b>4.35</b>	<b>4.35</b>	<b>4.35</b>

#### ANNEXURE VIII: SUMMARY OF ACCOUNTING RATIOS

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
Restated PAT as per P& L Account	40.38	134.03	30.10	0.90	10.45	20.78
Weighted Average Number of Equity Shares at the end of the Year (After Bonus issue with retrospective effect) *	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
<b>Net Worth</b>	423.29	382.91	248.89	218.78	195.41	184.96
<b>Earnings Per Share (with subsequent Bonus issue effect)</b>						
Basic	2.02	6.70	1.51	0.05	0.52	1.04
Diluted	2.02	6.70	1.51	0.05	0.52	1.04
<b>Return on Net Worth (%)</b>	9.54%	35.00%	12.10%	0.41%	5.35%	11.23%
<b>Net Asset Value Per Share (Rs) (after giving retrospective effect of issue of bonus shares)</b>	21.16	19.15	12.44	10.94	9.77	9.25
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00

**ANNEXURE IX: EARNING PER SHARE**
**(Rs. in lakhs)**

Particulars	As at June30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
A) Weighted Average Number of Equity Shares of Rs.10 each						
I) Number of shares at the beginning of the year (before bonus issue)	2,000,000	500,000	500,000	500,000	500,000	500,000
II) Number of shares at the end of the year (before bonus issue)	2,000,000	2,000,000	500,000	500,000	500,000	500,000
III) Weighted Average Number of Equity Shares outstanding during the year	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
IV) Weighted Average Number of Potential Equity Shares outstanding during the year	-	-	-	-	-	-
V) Weighted Average Number of Equity Shares for calculating Diluted EPS	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
B) Net profit/ (Loss) after Tax adjustments available for Equity Shareholders (in Lakhs)	40.38	134.03	30.10	0.90	10.45	20.78
C) Basic Earning Per Share (in Rupees) {B/A(III)}*	2.02	6.70	1.51	0.05	0.52	1.04
D) Diluted Earning Per Share (in Rupees) {B/A(V)}*	2.02	6.70	1.51	0.05	0.52	1.04

**Notes:**

1. The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.
2. Earning Per Share (EPS) is calculated after adjusting for bonus equity shares issued, with retrospective effect as provided in Accounting Standard (AS-20) - Earning per Share, issued by the Institute of Chartered Accountant of India.



\* 15,00,000 Equity shares of Rs. 10/- each were allotted as bonus shares on 15-02-2017 in the ratio of 3:1. Accordingly, the EPS has been calculated taking retrospective effect of this bonus issue.

**Formula:**

$$1 \quad \frac{\text{Net Profit attributable to Equity Shares}}{\text{Weighted Average Number of Equity Shares Outstanding during the period}}$$

$$2 \quad \frac{\text{Net Profit after Tax Adjustments}}{\text{Net worth at the end of the year/ period}}$$

$$3 \quad \frac{\text{Net Worth excluding Revaluation Reserve at the end of the period}}{\text{Total Number of Equity Shares Outstanding at the end of the year/period}}$$

4 Equity Share Capital plus reserves and Surplus less Misc. Expenditure to the extent not written off

**ANNEXURE X - STATEMENT OF CAPITALISATION**

(Rs. in Lakhs)

Sr. No	Particulars	Pre issue	Post issue
	<b>Debts</b>		
A.	(a) Long Term Debt	7.06	7.06
B.	(b) Short Term Debt	147.08	147.08
C.	<b>Total Debt</b>	<b>154.15</b>	<b>154.15</b>
	<b>Equity Shareholders Funds</b>		
	(a) Equity Share Capital	200.00	[·]
	(b) Reserves and Surplus	223.29	[·]
D.	<b>Total Equity</b>	<b>423.29</b>	[·]
E.	<b>Total Capitalisation</b>	<b>577.44</b>	[·]
	<b>Long Term Debt/ Equity Ratio (A/D)</b>	0.02	[·]
	<b>Total Debt/ Equity Ratio (C/D)</b>	0.36	[·]

\* will be available after discovery of cut-off price

**ANNEXURE XI- STATEMENT OF RELATED PARTY DISCLOSURES AS RESTATED**

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

**A. List of Related Parties and Relationships**

S . N .	Description of Relationship	Name of the Related party / Person					
		For the period ended June 30, 2017	For the Year Ended March 31,				
			2017	2016	2015	2014	2013
1	Company and Firm in which Directors and their relatives are Directors or Partners	Linear Electronics, R&S Electronics and R&S (India) Electronics Private Limited					
2	Directors of the Company	Mr. Ramakrishnan M.K. and Mr. Anirvan Ghose					
3	Relative of the Director	Dr. Parthasarthy Ghose					
4	Enterprises in which directors has significant influence	Ramakrishnan (HUF)					
5	Key Management Personnel	Mr. Ramakrishnan M.K. and Mr. Anirvan Ghose					

Note:- Related Party relationships are as identified by the Company and relied upon by the Auditors

**B. Summary of transactions carried out with the related party in the ordinary course of business**

Particulars	Nature of Relationship / Name of the Party	For the period ended June 30, 2017	For the Year Ended March 31,				
			2017	2016	2015	2014	2013
1) Purchases	R & S Electronics	-		-	-	3.57	0.12
2) Rent Paid		7.50	10.00	10.00	9.90	3.60	
3) Sales			-	-	-	0.03	
1) Purchases	R&S (India) Electronics Private Limited	2.40	9.27	17.13	11.83	16.70	3.95
2) Sales		1.66	214.04	76.24	104.60	185.52	388.11
3) Rent Paid		-	6.24	9.00	9.18	3.60	3.60
4) Service Sales		2.90	7.00	5.16	5.49	5.20	19.21
1) Remunerations to Directors	Mr. Ramakrishnan M.K.	8.21	28.53	15.42	13.20	13.50	-
1) Remunerations to Directors	Mr. Anirvan Ghose	9.53	11.98	-	-	-	-
1) Payment	Dr. Parthasarthy Ghose	0.18	0.72	0.72	0.72	0.72	0.72

**C. Outstanding Balance as at the end of the year**

Particulars	Nature of Relationship / Name of the Party	For the period ended June 30, 2017	For the Year Ended March 31,				
			2017	2016	2015	2014	2013
<b>Receivables</b>	<b>Company and Firm in which Directors and their relatives are Directors or Partners</b>						
	-Linear Electronics Private Limited	-	-	1.65	1.65	1.65	1.98
	-R&S (India) Electronics Private Limited	77.49	191.80	19.50	-	-	-
	<b>Relative of the Director</b>						
	-Dr. Parthasarthy Ghose	-	-	-	-	-	-

<b>Payables</b>	<b>Company and Firm in which Directors and their relatives are Directors or Partners</b>						
	-R & S Electronics	184.14	184.14	184.14	184.14	181.08	167.68
	-R&S (India) Electronics Private Limited	-	-	-	24.33	109.34	-
	<b>Enterprises in which director has significant influence</b>						
	-Ramakrishnan M.K(HUF)	-	-	0.22	0.22	0.22	-
	<b>Director</b>						
	-Mr. Ramakrishnan M.K.	2.74	-	4.90	4.87	6.77	-
	-Mr. Anirvan Ghose	3.18	-	-	-	-	-

**ANNEXURE - XII: STATEMENT OF TAX SHELTERS**

**(Rs. In Lakhs)**

Particulars		For period ended June 30,	For the year ended March 31,				
		2017	2017	2016	2015	2014	2013
<b>Profit before taxes, as restated</b>	<b>A</b>	53.91	213.49	35.86	16.80	16.68	30.16
Weighted Average Tax Rate (%)	<b>B</b>	30.90%	33.06%	30.90%	30.90%	30.90%	30.90%
Tax expense at weighted average rate (A*B)	<b>C</b>	16.66	70.59	11.08	5.19	5.15	9.32
<b>Adjustments:</b>							
<b>Permanent Differences</b>							
Interest and penalty paid to Govt Deptt		-	-	-	-	-	-
Disallowance u/s 36 (i) (va)		-	-	-	-	-	-
Donation		-	-	-	-	-	-
<b>Total Permanent Differences</b>	<b>D</b>	-	-	-	-	-	-
<b>Temporary Differences</b>							
Difference between Book depreciation and Tax depreciation		(1.03)	(7.91)	(7.98)	(7.09)	(5.22)	0.19
Penalty Excise duty		-	-	-	-	-	-
Expenditure of capital in nature		-	3.00	-	0.23	-	-
Provision for Gratuity Benefit to Employees		-	0.09	0.82	9.09	4.98	0.80
Expenses debited to P&L relating to Section 35AC of Income Tax Act 1961, considered		-	-	-	20.00	-	-

separatelt							
Provision for leave encashment		-	2.88	3.72	5.14	3.30	2.49
WB VAT		-	-	-	-	-	-
Expenses credited to P&L relating to Section 35AC of Income Tax Act 1961, considered separatelt		-	-	-	(20.00)	-	-
Company Setup Expenses		-	-	-	-	-	-
Preliminary Expenses W/off		-	-	-	-	-	-
Leave encashment allowed		(2.88)	(1.29)	(5.14)	(3.30)	(2.49)	(1.81)
Profit on sale of Motor Car		-	-	(0.50)	-	-	-
Loss setoff from PY		-	-	-	-	-	-
<b>Total Temporary Differences</b>	<b>E</b>	<b>(3.91)</b>	<b>(3.24)</b>	<b>(9.09)</b>	<b>4.07</b>	<b>0.57</b>	<b>1.67</b>
<b>Net Adjustments F= (D+E)</b>	<b>F</b>	<b>(3.91)</b>	<b>(3.24)</b>	<b>(9.09)</b>	<b>4.07</b>	<b>0.57</b>	<b>1.67</b>
<b>Tax expense/(saving) thereon (F*B)</b>	<b>G</b>	<b>(1.21)</b>	<b>(1.07)</b>	<b>(2.81)</b>	<b>1.26</b>	<b>0.18</b>	<b>0.51</b>
<b>Tax Liability after considering the effect of Adjustment (C+G)</b>	<b>H</b>	<b>15.45</b>	<b>69.52</b>	<b>8.27</b>	<b>6.45</b>	<b>5.33</b>	<b>9.83</b>
MAT Credit Utilized		-	-	-	-	-	-
<b>Tax Liability, After considering effect of MAT Credit</b>	<b>I</b>	<b>15.45</b>	<b>69.52</b>	<b>8.27</b>	<b>6.45</b>	<b>5.33</b>	<b>9.83</b>
Book Profit as Per MAT*	<b>J</b>	53.91	213.49	35.86	16.80	16.68	30.16
MAT Rate	<b>K</b>	19.31%	19.31%	19.31%	19.31%	19.31%	19.31%
Tax Liability as per MAT (J*K)	<b>L</b>	10.41	41.23	6.93	3.24	3.22	
<b>Current Tax being Higher of I or L</b>	<b>M</b>	<b>15.45</b>	<b>69.52</b>	<b>8.27</b>	<b>6.45</b>	<b>5.33</b>	<b>9.83</b>
MAT Credit Entitlement	<b>N</b>	-	-	-	-	-	-
<b>Total Tax Expenses (M+N)</b>	<b>O</b>	<b>15.45</b>	<b>69.52</b>	<b>8.27</b>	<b>6.45</b>	<b>5.33</b>	<b>9.83</b>
<b>Total Tax Expenses as per Income Tax Return ( before interest &amp; penalty) *</b>	<b>P</b>	<b>15.45</b>	<b>69.52</b>	<b>8.27</b>	<b>6.46</b>	<b>5.33</b>	<b>9.84</b>
<b>Tax paid as per normal or MAT</b>	<b>Q</b>	<b>NOR MAL</b>	<b>NOR MAL</b>	<b>NOR MAL</b>	<b>NORM AL</b>	<b>NORM AL</b>	<b>NORM AL</b>

\* MAT Refers to Minimum Alternate Tax as referred to in section 115JB of the income Tax Act, 1961

#### ANNEXURE – XIII

#### STATEMENT OF FINANCIAL INDEBTEDNESS

The details of indebtedness of our Company as at June 30, 2017, together with a brief description of certain material covenants of the relevant financing agreements, are provided below:

**A) Secured Loan**
**(Rs. In Lakhs)**

Name of Lender Bank	Guarantors	Purpose	Sanctioned Amount (Rs. in Lakhs)	Rate of Interest (%)	Securities offered	Repayment Schedule	Moratorium	Outstanding amount as on 30/06/2017 as per books
ICICI Bank	Mr. Anirvan Ghose (Director of the company)	Vehicle Loan	16.50	9.85%	Hypothecation of motor car acquired under the loan	60 EMI	NA	11.22
Axis Bank	Mr. Ramakrishnan Kattil Mr. Anirvan Ghose (Directors of the company)	Working Capital	160.00	11.10 %	Hypothecation on entire current assets of the company, both present and future and factory building	Renewable on Yearly Basis	NA	3.46
Yes Bank Ltd.	Mr. Ramakrishnan Kattil Mr. Anirvan Ghose (Directors of the company)	Working Capital		11.10 %	Hypothecation on entire current assets of the company, both present and future and factory building	Renewable on Yearly Basis	NA	143.62
<b>Total (A)</b>								<b>158.30</b>

**INDEPENDENT AUDITOR'S REPORT ON EXAMINATION OF  
RESTATED CONSOLIDATED FINANCIAL INFORMATION**

**To,**  
The Board of Directors  
**Pulz Electronics Limited**  
46 Satish Mukherjee Road,  
Kolkata 700026.  
West Bengal

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of **Pulz Electronics Limited** (Formerly Pulz Electronics Private Limited and hereinafter referred to as “the Company”) as approved by the Board of Directors of the Company in their meeting on October 23, 2017, prepared by the management of the company in terms of requirement of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rule 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the ‘SEBI Regulations’), the Guidance Note on ‘Reports in Company’s Prospectus (Revised)’ issued by the Institute of Chartered Accountants of India (‘ICAI’) to the extent applicable (‘Guidance Note’), and in terms of our engagement agreed upon with you in accordance with our engagement letter dated March 01, 2017, in connection with the proposed Initial Public Offer (IPO) of the Company on SME platform of National Stock Exchange of India Limited (“NSE”).
2. These Restated Financial Information (included in Annexure I to XIII) have been extracted by the Management of the Company from:
  - (c) The Company’s Consolidated Audited Financial Statements for the period ended June 30, 2017, which have been approved by the Board of Directors at their meeting held on August 14, 2017 and books of accounts underlying these financial statement and other records of the Company, to the extent considered necessary for the preparation of the Restated Consolidated Financial Information, are the responsibility of the Company’s Management. The Financial Statement of the Company for the period ended June 30, 2017 have been audited by KNP & Associates had issued unqualified reports for these years.
  - (d) The Interim Financial Statements for the period ended June 30, 2017, which have been prepared in accordance with the generally accepted accounting principles in India (‘GAAP’), the provisions of the Companies Act, 2013, the Accounting Standard (AS) 25 Interim financial Reporting and other accounting standards as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, have been approved by the Board of Directors at their meeting held on October 23, 2017.
3. In accordance with the requirement of Section 26 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:
  - (iv) The Restated Consolidated Statement of Assets and Liabilities as at June 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out in Annexure – I to this report, read with the

‘Basis of Preparation and Significant Accounting Policies of the Restated Financial Statements’ appearing in Annexure- IV are after making such adjustments and regrouping/reclassification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Financial Statements appearing in Annexure –V. As a result of these adjustments, the amounts reporting in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial interim period / years.

- (v) The Restated Consolidated Statement of Profit and Loss of the Company for the period ended June 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out in Annexure – II to this report, read with the ‘Basis of Preparation and Significant Accounting Policies of the Restated Financial Statements’ appearing in Annexure- IV are after making such adjustments and regrouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Financial Statements appearing in Annexure – V. As a result of these adjustments, the amounts reporting in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant period / financial years.
  - (vi) The Restated Consolidated Statement of Cash flows of the Company for the period ended June 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out in Annexure – III (to this report, read with the ‘Basis of Preparation and Significant Accounting Policies of the Restated Financial Statements’ appearing in Annexure- IV are after making such adjustments and regrouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Financial Statements appearing in Annexure –V. As a result of these adjustments, the amounts reporting in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant period / financial years.
4. Based on the above, and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Financial Information:
- (d) have been made after incorporating adjustments for the changes in accounting policies retrospectively in period / respective financial years to reflect the same accounting treatment as per the changed accounting policies for all the reporting periods based on the significant accounting policies adopted by the Company as at June 30, 2017;
  - (e) have been made after incorporating adjustments for prior period and other material amounts in the period / respective financial years to which they relate to; and;
  - (f) do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Financial Information and do not contain any qualification requiring adjustments.
5. We have also examined the following Restated Financial Information as set out in the Annexures to this report and forming part of the Restated Financial Information, prepared by the management of the Company and approved by the Board of Directors on October 23, 2017, relating to the company for the period ended June 30, 2017 and financial year ended March 31, 2017, 2016, 2015, 2014 and 2013:
- xiv) Restated Statement of Assets and Liabilities included in Annexure – I;
  - xv) Restated Statement of Profit and Loss included in Annexure – II;

- xvi) Restated Statement of Cash flow from Restated Financial Statement included in Annexure III;
  - xvii) Basis of Preparation and Significant Accounting Policies of the Restated Financial Statements as included in Annexure IV.
  - xviii) Statement of Reconciliation of Restated Profits to Profit as per Audited Financial Statements included on Annexure V:
  - xix) Notes to Restated Consolidated Financial Information as included in Annexure VI
  - xx) Restated Statement of Contingent Liabilities, included in Annexure VII;
  - xxi) Restated Statement of Accounting Ratios, included in Annexure VIII;
  - xxii) Restated Statement of Earning Per Share, included in Annexure IX;
  - xxiii) Restated Statement of Capitalisation, included in Annexure X;
  - xxiv) Restated Statement of Related Party Transaction, included in Annexure XI;
  - xxv) Restated Statement of Tax Shelters, included in Annexure XII;
  - xxvi) Restated Statement of Financial indebtedness, included in Annexure XIII.
6. This 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 an opinion on any of the financial statements referred to herein.
7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
8. In our opinion, the above Restated Consolidated Financial Information contained in Annexure I to XIII to this report read along with the Basis of Preparation and Significant Accounting policies (Refer Annexure – IV) and Notes to Restated Consolidated Financial Information (Refer Annexure – VI) after making adjustments and regrouping/re-classification as considered appropriate and have been prepared in accordance with the provisions of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.
9. Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed issue of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

**For RPMD & Associates.**  
**Chartered Accountants**  
**ICAI Firm's Reg. No. 005961C**

**Rahul Jain**  
**(Partner)**  
**M. No. 518352**

**Place: Delhi**  
**Dated: October 23, 2017**



**ANNEXURE – I: RESTATED SUMMARY CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

(Rs. in Lakhs)

Particulars	Note No.	As at June 30, 2017	As at March 31,				
			2017	2016	2015	2014	2013
<b>I Equity and Liabilities</b>							
<b>1 Shareholders' Funds</b>							
(a) Share Capital	<b>L1</b>	200.00	200.00	50.00	50.00	50.00	50.00
(b) Reserves & Surplus	<b>L2</b>	223.06	182.91	198.89	168.78	145.41	134.96
		<b>423.06</b>	<b>382.91</b>	<b>248.89</b>	<b>218.78</b>	<b>195.41</b>	<b>184.96</b>
<b>3 Non-Current Liabilities</b>							
(a) Long-term borrowings	<b>L3</b>	7.06	7.81	10.64	-	101.28	5.10
(b) Deferred Tax Liabilities (Net)	<b>L4</b>	5.81	7.27	5.43	8.07	-	-
(c) Long Term Provisions	<b>L5</b>	10.73	10.73	8.30	-	-	-
(d) Other Long Term Liabilities	<b>L6</b>	194.88	194.88	192.44	184.14	181.08	167.68
		<b>207.75</b>	<b>209.96</b>	<b>208.51</b>	<b>192.21</b>	<b>282.37</b>	<b>172.78</b>
<b>4 Current Liabilities</b>							
(a) Short Term Borrowings	<b>L7</b>	147.08	143.41	159.09	154.91	118.01	6.37
(b) Trade Payables	<b>L8</b>	111.91	135.08	81.33	80.98	172.90	22.30
(c) Other current Liabilities	<b>L9</b>	160.37	194.76	182.04	266.43	131.24	94.56
(d) Short Term Provisions	<b>L10</b>	110.75	82.12	16.71	24.85	12.42	6.39
		<b>530.12</b>	<b>555.28</b>	<b>439.17</b>	<b>527.16</b>	<b>434.57</b>	<b>129.61</b>
<b>Total</b>		<b>1160.92</b>	<b>1,148.25</b>	<b>896.56</b>	<b>938.16</b>	<b>912.35</b>	<b>487.35</b>
<b>II Assets</b>							
<b>1 Non-Current Assets</b>							
(a) Fixed Assets							
(i) Tangible Assets	<b>L11</b>	285.27	283.82	294.56	283.29	256.12	104.74
(ii) Capital Work-in-Progress	<b>L11</b>	6.42	6.42	4.00	4.00	3.93	1.77
(b) Deferred Tax Assets (Net)	<b>L4</b>	-	-	-	-	1.43	1.71
(c) Non-Current Investments		0.25	0.25	0.25	0.25	0.25	0.25
(d) Other Non-Current Assets	<b>L13</b>	1.15	1.06	1.06	2.98	3.04	16.03
		<b>293.10</b>	<b>291.55</b>	<b>299.86</b>	<b>290.52</b>	<b>264.77</b>	<b>124.50</b>
<b>2 Current Assets</b>							
(a) Inventories	<b>L14</b>	506.68	445.93	380.00	454.34	461.39	277.88
(b) Trade Receivables	<b>L15</b>	219.73	311.03	101.06	68.98	34.92	29.51
(c) Cash and Cash Equivalents	<b>L16</b>	42.66	6.30	4.73	0.08	1.74	8.26
(d) Short-term loans and advances	<b>L12</b>	98.75	93.46	110.91	124.25	149.54	47.21

	(e) Other Current Assets	L17	-	-	-	-	-	-
			867.82	856.70	596.70	647.64	647.58	362.85
	<b>Total</b>		<b>1160.92</b>	<b>1,148.25</b>	<b>896.56</b>	<b>938.16</b>	<b>912.35</b>	<b>487.35</b>

**ANNEXURE – II: RESTATED SUMMARY CONSOLIDATED STATEMENT OF PROFIT AND LOSS**
**(Rs. in Lakhs)**

Particulars	Notes No.	For Period Ended June 30,	For the year Ended March 31,					
		2017	2017	2016	2015	2014	2013	
<b>I Revenue:</b>								
Revenue from Operations	<b>II.1</b>	375.56	1,376.58	1,298.42	1,177.46	920.15	527.93	
Other income	<b>II.2</b>	10.64	8.40	8.61	13.08	5.60	2.33	
<b>Total revenue</b>		<b>386.20</b>	<b>1,384.98</b>	<b>1,307.03</b>	<b>1,190.54</b>	<b>925.75</b>	<b>530.26</b>	
<b>II Expenses:</b>								
Cost of Material Consumed	<b>II.3</b>	76.42	313.02	560.42	517.21	369.12	200.69	
Purchase of stock-in-trade	<b>II.4</b>	99.46	170.10	136.11	139.80	155.39	47.88	
Manufacturing Expense	<b>II.5</b>	5.78	20.29	22.86	22.82	27.38	25.61	
Change in Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade	<b>II.6</b>	(31.10)	27.96	2.57	(19.69)	(53.81)	18.58	
Employee benefit expenses	<b>II.7</b>	85.67	280.30	257.93	235.70	174.95	106.22	
Finance costs	<b>II.8</b>	6.52	19.01	20.72	23.13	18.66	2.36	
Depreciation and amortization expense	<b>I.10</b>	4.85	18.62	20.15	19.36	16.74	8.13	
Other expenses	<b>II.9</b>	84.92	322.18	250.41	235.40	200.64	90.62	
<b>Total Expenses</b>		<b>332.52</b>	<b>1,171.49</b>	<b>1,271.17</b>	<b>1,173.74</b>	<b>909.07</b>	<b>500.10</b>	
<b>III Profit/(loss) before exceptional, extraordinary items &amp; tax (I-II)</b>		<b>53.68</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>	
<b>IV Exceptional Items</b>		-	-	-	-	-	-	
<b>V Profit/(loss) before extraordinary items &amp; tax (III-IV)</b>		<b>53.68</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>	
<b>VI Extra-ordinary Items</b>		-	-	-	-	-	-	
<b>VII Profit/(loss) before tax (V-VI)</b>		<b>53.68</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>	
<b>VIII Tax expense:</b>								
(i) Current tax		15.00	76.85	8.40	6.40	5.95	9.90	
(ii) Earlier year tax		(0.01)	0.77	-	-	-	-	
(iii) Deferred Tax		(1.46)	1.84	(2.64)	9.50	0.28	(0.51)	
<b>IX Profit/(loss) For the year (VII-VIII)</b>		<b>40.14</b>	<b>134.03</b>	<b>30.10</b>	<b>0.90</b>	<b>10.45</b>	<b>20.78</b>	

	VIII)							
<b>X</b>	<b>Earning per equity share in Rs.:</b>							
	(1) Basic		<b>2.01</b>	<b>6.70</b>	<b>1.51</b>	<b>0.05</b>	<b>0.52</b>	<b>1.04</b>
	(2) Diluted		<b>2.01</b>	<b>6.70</b>	<b>1.51</b>	<b>0.05</b>	<b>0.52</b>	<b>1.04</b>

**ANNEXURE – III: RESTATED SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS**
**(Rs. in Lakhs)**

Particulars		As at	As at March 31,				
		June 30,	2017	2016	2015	2014	2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>							
<b>Profit/ (Loss) before tax</b>		<b>53.68</b>	<b>213.49</b>	<b>35.86</b>	<b>16.80</b>	<b>16.68</b>	<b>30.16</b>
Adjustments for:							
Depreciation & amortization		4.85	18.62	20.15	19.36	16.74	8.13
Interest Expense		6.52	19.01	20.72	23.13	18.66	2.36
Loss on sale of Fixed Assets		-	-	-	0.23	-	-
Profit on sale of Fixed Assets		-	-	(0.50)	-	-	-
<b>Operating profit before working capital changes</b>		<b>65.05</b>	<b>251.12</b>	<b>76.23</b>	<b>59.52</b>	<b>52.08</b>	<b>40.66</b>
Movements in working capital:							
(Increase)/ Decrease in Inventories		(60.75)	(65.93)	74.34	7.05	(183.51)	(1.13)
(Increase)/Decrease in Trade Receivables		91.30	(209.97)	(32.08)	(34.06)	(5.41)	0.61
(Increase)/Decrease in Short term loans & advances		(5.30)	17.47	13.33	25.29	(102.33)	(30.09)
Increase/(Decrease) in Trade payables		(23.17)	53.75	0.35	(91.93)	150.60	(4.91)
Increase/(Decrease) in Other Current Liabilities		(34.39)	12.72	(84.38)	135.18	36.69	5.62
Increase/(Decrease) in Short term provisions		28.63	65.41	(8.14)	12.43	6.03	1.48
Change in long term Provisions		-	-	-	-	-	-
Change in Other long-term liabilities		-	2.44	8.30	3.06	13.40	3.84
<b>Cash generated from operations</b>		<b>61.36</b>	<b>127.00</b>	<b>47.95</b>	<b>116.55</b>	<b>(32.45)</b>	<b>16.08</b>
Income tax Refund/ (paid) during the year		15.00	77.61	8.40	6.40	5.95	9.90
<b>Net cash from operating activities</b>	<b>A</b>	<b>46.36</b>	<b>49.39</b>	<b>39.55</b>	<b>110.15</b>	<b>(38.40)</b>	<b>6.18</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>							
Sale/(Purchase) of Non- current assets		(6.30)	(10.30)	(30.91)	(24.35)	(170.28)	5.35
Change in Non-Current Assets		(0.10)	-	1.92	0.06	12.99	(3.72)
<b>Net cash from investing activities (B)</b>	<b>B</b>	<b>(6.40)</b>	<b>(10.30)</b>	<b>(28.99)</b>	<b>(24.30)</b>	<b>(157.29)</b>	<b>1.63</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>							
Proceeds/(Redemption)of Capital		-	-	-	-	-	-
Interest paid on borrowings		(6.52)	(19.01)	(20.72)	(23.13)	(18.66)	(2.36)
Proceeds/(Repayment) of Long Term Borrowings		(0.75)	(2.83)	10.64	(101.28)	96.18	(3.42)
Proceeds/ (Repayment) of Short Term		3.67	(15.68)	4.18	36.90	111.64	-

Borrowings							
<b>Net cash from financing activities (C)</b>	<b>C</b>	<b>(3.60)</b>	<b>(37.51)</b>	<b>(5.91)</b>	<b>(87.51)</b>	<b>189.16</b>	<b>(5.79)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>D</b>	<b>36.36</b>	<b>1.57</b>	<b>4.65</b>	<b>(1.66)</b>	<b>(6.52)</b>	<b>2.02</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>6.30</b>	<b>4.73</b>	<b>0.08</b>	<b>1.74</b>	<b>8.26</b>	<b>6.24</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>42.66</b>	<b>6.30</b>	<b>4.73</b>	<b>0.08</b>	<b>1.74</b>	<b>8.26</b>

**ANNEXURE I.1: RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL**
**(a) Authorised, Issued, Subscribed and Paid-up Share Capital**
**(Rs. in Lakhs)**

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>Authorized Share Capital:</b>						
<b>Equity Shares</b>						
Equity Shares of Rs. 10 each (Nos.)	5,000,000	5,000,000	500,000	500,000	500,000	500,000
Amount (Rs.)	500.00	500.00	50.00	50.00	50.00	50.00
<b>Issued, Subscribed &amp; fully paid up share capital</b>						
<b>Equity Shares</b>						
Equity Shares of Rs. 10 each (Nos.)	2,000,000	2,000,000	500,000	500,000	500,000	500,000
Amount (Rs.)	200.00	200.00	50.00	50.00	50.00	50.00
<b>Total Share Capital</b>	<b>200.00</b>	<b>200.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>

**(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year**

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>No of shares outstanding at the beginning of the year</b>						
-Equity Shares	2,000,000	500,000	500,000	500,000	500,000	500,000
-Equity Shares (amount in lacs)	200.00	50.00	50.00	50.00	50.00	50.00
<b>Add: Shares issued during the year</b>						
-Equity Shares	-	-	-	-	-	-
-Equity Shares (amount in lacs)	-	-	-	-	-	-
<b>Add: Bonus Shares issued during the year</b>						
-Equity Shares	-	1,500,000	-	-	-	-
-Equity Shares (amount in lacs)	-	150.00	-	-	-	-
<b>Less: Shares bought back during the year</b>						
-Equity Shares	-	-	-	-	-	-
-Equity Shares (amount in lacs)	-	-	-	-	-	-
<b>Shares outstanding at the end of the year</b>						
-Equity Shares	2,000,000	2,000,000	500,000	500,000	500,000	500,000
-Equity Shares (amount in lacs)	200.00	200.00	50.00	50.00	50.00	50.00

(c) Details of Shareholding more than 5% of the aggregate shares in the company

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>Equity Shares:</b>						
<b>1 Ramakrishnan M.K.</b>						
No of Shares	1,299,988	1,299,988	325,000	325,000	325,000	325,000
% of holding	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
<b>2 Anirvan Ghose</b>						
No of Shares	699,992	699,992	175,000	175,000	175,000	175,000
% of holding	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%

**ANNEXURE I.2: RESTATED CONSOLIDATED STATEMENT OF RESERVES & SURPLUS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>A. Balance in Statement of Profit &amp; Loss</b>						
Balance as at the beginning of the year	182.91	198.89	168.78	145.41	134.96	114.18
Add: Restated profit for the year	40.14	134.03	30.10	0.92	10.45	20.78
Add: Effect on account of change in method of depreciation	-	-	-	22.45	-	-
Less: Adjustments on account of income tax appropriation	-	-	-	-	-	-
<b>Balance as at the end of the year</b>	<b>223.06</b>	<b>182.91</b>	<b>198.89</b>	<b>168.78</b>	<b>145.41</b>	<b>134.96</b>
<b>Grand Total</b>	<b>223.06</b>	<b>182.91</b>	<b>198.89</b>	<b>168.78</b>	<b>145.41</b>	<b>134.96</b>

**ANNEXURE I.3: RESTATED CONSOLIDATED STATEMENT OF LONG-TERM BORROWINGS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>A. Loans from Banks</b>						
<b>Secured Loans</b>						
<b>Term Loans</b>						
- Axis Bank Limited	-	-	-	-	99.95	-
- Others	-	-	-	-	-	5.10
<b>Vehicle Loan</b>						
-ICICI Bank Limited	7.06	7.81	10.64	-	-	-
- Kotak Mahindra Prime Limited	-	-	-	-	1.34	-
<b>Total Secured loans</b>	<b>7.06</b>	<b>7.81</b>	<b>10.64</b>	<b>-</b>	<b>101.28</b>	<b>5.10</b>



Total Unsecured loans			-	-	-	-
<b>Grand Total</b>	<b>7.06</b>	<b>7.81</b>	<b>10.64</b>	<b>-</b>	<b>101.28</b>	<b>5.10</b>

**ANNEXURE I4: RESTATED CONSOLIDATED STATEMENT OF DEFERRED TAX LIABILITY (Net)**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>Deferred Tax Assets</b>						
Provision for gratuity benefits	1.46	0.03	0.25	2.81	1.54	0.21
Provision for leave encashment	0.61	0.26	(0.57)	0.70	0.25	0.25
Difference between depreciation on block of assets						1.25
<b>Total (a)</b>	<b>2.06</b>	<b>0.29</b>	<b>(0.32)</b>	<b>3.51</b>	<b>1.79</b>	<b>1.71</b>
<b>Deferred Tax Liability</b>						
Difference between depreciation on block of assets	7.87	7.55	5.11	11.58	0.36	-
Disallowance under the Income Tax Act						
<b>Total (b)</b>	<b>7.87</b>	<b>7.55</b>	<b>5.11</b>	<b>11.58</b>	<b>0.36</b>	<b>-</b>
<b>Net deferred tax asset/(liability)-{(a)-(b)}</b>	<b>(5.81)</b>	<b>(7.27)</b>	<b>(5.43)</b>	<b>(8.07)</b>	<b>1.43</b>	<b>1.71</b>

**ANNEXURE I5: RESTATED CONSOLIDATED STATEMENT OF LONG TERM PROVISIONS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>(a) Provision for employee benefits</b>						
-Provision for Gratuity	10.73	10.73	8.30	-	-	-
<b>Grand Total</b>	<b>10.73</b>	<b>10.73</b>	<b>8.30</b>	<b>-</b>	<b>-</b>	<b>-</b>

**ANNEXURE I6: RESTATED CONSOLIDATED STATEMENT OF OTHER LONG TERM LIABILITIES**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>(a) Other Long Term Liabilities</b>						
-Trade payable						
<b>Related Party</b>						
R & S Electronics	184.14	184.14	184.14	184.14	181.08	167.68
-Gratuity	10.73	10.73	8.30	-	-	-
<b>Grand Total</b>	<b>194.88</b>	<b>194.88</b>	<b>184.14</b>	<b>184.14</b>	<b>181.08</b>	<b>167.68</b>

**ANNEXURE I.7: RESTATED CONSOLIDATED STATEMENT OF SHORT - TERM BORROWINGS**

(Rs. In Lakhs)

Particulars	As at	As at March,31				
	June 30,	2017	2016	2015	2014	2013
<b>A. Loans from Banks</b>						
<b>Secured Loans</b>						
Cash Credit Facility (Overdraft)						
-Axis Bank Limited	3.46	143.41	151.09	149.82	111.02	-
-Yes Bank Limited	143.62	-	-	-	-	-
<b>Total Secured loans from Bank</b>	<b>147.08</b>	<b>143.41</b>	<b>151.09</b>	<b>149.82</b>	<b>111.02</b>	<b>-</b>
<b>Unsecured Loans</b>						
- From Related Parties	-	-	5.12	5.09	6.99	6.37
- From Others	-	-	2.88	-	-	-
<b>Total Unsecured loans</b>	<b>-</b>	<b>-</b>	<b>2.88</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>147.08</b>	<b>143.41</b>	<b>159.09</b>	<b>154.91</b>	<b>118.01</b>	<b>6.37</b>

**ANNEXURE I.8: RESTATED CONSOLIDATED STATEMENT OF TRADE PAYABLES**

(Rs. In Lakhs)

Particulars	As at	As at March,31				
	June 30,	2017	2016	2015	2014	2013
Payable to Micro, small and medium enterprises						
Payable to related parties (Refer I.8.1)	-	-	-	24.33	109.34	-
Payable to Others ( for Goods/ Services)	111.91	135.08	81.33	56.65	63.56	22.30
<b>Grand Total</b>	<b>111.91</b>	<b>135.08</b>	<b>81.33</b>	<b>80.98</b>	<b>172.90</b>	<b>22.30</b>

**I.8.1 Annexure of payable to related parties**

Particulars	As at	As at	As at	As at	As at	As at
	June 30,	March 31,	March 31,	March 31,	March 31,	March 31,
	2017	2016	2016	2015	2014	2013
<b>Companyin which Directors and their relatives are Directors</b>	-	-	-	-	-	-
-R&S (India) Electronics Pvt Ltd	-	-	-	24.33	109.34	-
<b>Grand Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24.33</b>	<b>109.34</b>	<b>-</b>

**ANNEXURE I.9: RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT LIABILITIES**

(Rs. In Lakhs)

Particulars	As at	As at March,31
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	June 30,					
	2017	2017	2016	2015	2014	2013
Current Maturities of term loans from bank	4.16	4.16	4.16	1.34	3.76	3.42
Other creditors (Refer I.9.1)						
Advance received from customers (Refer I.9.1)	120.31	125.34	144.09	238.78	110.37	69.91
Statutory Dues Payable	18.75	42.18	10.36	12.81	10.21	15.44
Other Liabilites	17.16	23.09	23.43	13.50	6.90	5.78
<b>Grand Total</b>	<b>160.37</b>	<b>194.76</b>	<b>182.04</b>	<b>266.43</b>	<b>131.24</b>	<b>94.56</b>

**ANNEXURE I.10: RESTATED CONSOLIDATED STATEMENT OF SHORT TERM PROVISIONS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>Provision-others:</b>						
(i) Provision for Tax ( Net of Advance Tax)	86.04	71.09	2.50	1.31	0.24	-
- Provision for Tax	15.00	76.85	8.40	6.40	5.95	-
- Less: Advance Tax & TDS	71.04	5.76	5.90	5.09	5.71	-
(ii) Provision for Leave Encashment	7.72	2.88	3.72	5.57	3.30	2.49
(iii) Provision for Gratuity	12.87	8.15	10.50	17.97	8.88	3.90
(iv)provision for bonus	4.12	-	-	-	-	-
<b>Grand Total</b>	<b>110.75</b>	<b>82.12</b>	<b>16.71</b>	<b>24.85</b>	<b>12.42</b>	<b>6.39</b>

**ANNEXURE I.11: RESTATED CONSOLIDATED STATEMENT OF FIXED ASSETS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March,31				
	2017	2017	2016	2015	2014	2013
<b>Tangible Assets</b>						
<b>Land at Palghar</b>						
Gross Block						
-Opening Balance	63.00	63.00	63.00	63.00	63.00	62.89
-Additions during the year	-	-	-	-	-	0.11
<b>-Closing Balance</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>
Less: Accumulated Depreciation						
-Opening Balance	-	-	-	-	-	-
-For the Year	-	-	-	-	-	-
<b>-Closing Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Net Block		<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>
<b>Property at Palghar</b>							
Gross Block	-Opening Balance	9.29	9.29	9.29	9.29	9.29	9.29
	-Additions during the year	-	-	-	-	-	-
	<b>-Closing Balance</b>	9.29	9.29	9.29	9.29	9.29	9.29
Less: Accumulated Depreciation	-Opening Balance	0.90	0.77	0.63	1.52	1.11	0.68
	-For the Year	0.03	0.13	0.13	0.13	0.41	0.43
	-Deductions/ Adjustments	-	-	-	1.02	-	-
	<b>-Closing Balance</b>	0.94	0.90	0.77	0.63	1.52	1.11
Net Block		<b>8.35</b>	<b>8.39</b>	<b>8.52</b>	<b>8.66</b>	<b>7.77</b>	<b>8.18</b>
<b>Factory Building</b>							
Gross Block	-Opening Balance	116.74	115.83	112.06	104.36	-	-
	-Additions during the year	1.15	0.91	3.78	7.70	104.36	-
	<b>-Closing Balance</b>	117.89	116.74	115.83	112.06	104.36	-
Less: Accumulated Depreciation	-Opening Balance	12.60	8.91	5.31	5.44	-	-
	-For the Year	0.92	3.69	3.59	3.51	5.44	-
	-Deductions/ Adjustments				3.64		
	<b>-Closing Balance</b>	13.52	12.60	8.91	5.31	5.44	-
Net Block		<b>104.37</b>	<b>104.14</b>	<b>106.93</b>	<b>106.74</b>	<b>98.92</b>	-
<b>Factory Shed</b>							
Gross Block	-Opening Balance	24.39	24.39	24.39	24.39	-	-
	-Additions during the year	-	-	-	-	24.39	-
	<b>-Closing Balance</b>	24.39	24.39	24.39	24.39	24.39	-
Less: Accumulated Depreciation	-Opening Balance	3.05	2.28	1.50	2.23	-	-
	-For the Year	0.19	0.77	0.77	0.77	2.23	-

	-Deductions/ Adjustments				1.50		
	<b>-Closing Balance</b>	3.24	3.05	2.28	1.50	2.23	-
Net Block		<b>21.15</b>	<b>21.34</b>	<b>22.11</b>	<b>22.88</b>	<b>22.15</b>	-
<b>Plant and Machinery</b>							
Gross Block	-Opening Balance	31.45	31.45	31.45	26.57	18.41	18.41
	-Additions during the year	-	-	-	4.88	10.98	-
	-Deductions during the year					2.82	-
	<b>-Closing Balance</b>	31.45	31.45	31.45	31.45	26.57	18.41
Less: Accumulated Depreciation	-Opening Balance	8.83	6.76	4.69	7.19	5.02	2.85
	-For the Year	0.52	2.07	2.07	1.91	2.25	2.16
	-Deductions/ Adjustments	-	-	-	4.41	0.08	-
	<b>-Closing Balance</b>	9.35	8.83	6.76	4.69	7.19	5.02
Net Block		<b>22.10</b>	<b>22.62</b>	<b>24.69</b>	<b>26.76</b>	<b>19.38</b>	<b>13.39</b>
<b>Electrical Installation</b>							
Gross Block	-Opening Balance	14.82	14.82	14.82	12.10	2.68	2.68
	-Additions during the year	-	-	-	2.72	9.42	-
	<b>-Closing Balance</b>	14.82	14.82	14.82	14.82	12.10	2.68
Less: Accumulated Depreciation	-Opening Balance	3.55	2.60	1.58	1.36	0.64	0.32
	-For the Year	0.24	0.95	1.02	1.02	0.72	0.33
	-Deductions/ Adjustments	-	-	-	0.81		
	<b>-Closing Balance</b>	3.79	3.55	2.60	1.58	1.36	0.64
Net Block		<b>11.03</b>	<b>11.27</b>	<b>12.22</b>	<b>13.24</b>	<b>10.74</b>	<b>2.03</b>
<b>Lift at Palghar</b>							
Gross Block	-Opening Balance	5.67	5.67	5.67	5.67	-	-
	-Additions during the	-	-	-	-	5.67	-

	year						
	<b>-Closing Balance</b>	5.67	5.67	5.67	5.67	5.67	-
Less: Accumulated Depreciation	-Opening Balance	1.16	0.80	0.44	0.24	-	-
	-For the Year	0.09	0.36	0.36	0.36	0.24	-
	-Deductions/ Adjustments	-	-	-	0.16		
	<b>-Closing Balance</b>	1.25	1.16	0.80	0.44	0.24	-
Net Block		<b>4.41</b>	<b>4.50</b>	<b>4.86</b>	<b>5.22</b>	<b>5.42</b>	-
<b>Paint Booth at Palghar</b>							
Gross Block	-Opening Balance	3.26	3.26	3.26	3.26	-	-
	-Additions during the year	-	-	-	-	3.26	-
	<b>-Closing Balance</b>	3.26	3.26	3.26	3.26	3.26	-
Less: Accumulated Depreciation	-Opening Balance	0.64	0.44	0.23	0.07	-	-
	-For the Year	0.05	0.21	0.21	0.21	0.07	-
	-Deductions/ Adjustments	-	-	-	0.04		
	<b>-Closing Balance</b>	0.69	0.64	0.44	0.23	0.07	-
Net Block		<b>2.56</b>	<b>2.61</b>	<b>2.82</b>	<b>3.03</b>	<b>3.19</b>	-
<b>Computer Systems</b>							
Gross Block	-Opening Balance	9.86	5.74	5.74	4.39	2.12	1.97
	-Additions during the year	1.38	4.12	-	1.35	2.27	0.15
	<b>-Closing Balance</b>	11.24	9.86	5.74	5.74	4.39	2.12
Less: Accumulated Depreciation	-Opening Balance	6.11	4.29	2.97	2.14	1.69	1.44
	-For the Year	0.51	1.82	1.32	1.22	0.45	0.26
	-Deductions/ Adjustments	-	-	-	0.39		
	<b>-Closing Balance</b>	6.61	6.11	4.30	2.97	2.14	1.69
Net Block		<b>4.63</b>	<b>3.75</b>	<b>1.44</b>	<b>2.77</b>	<b>2.25</b>	<b>0.43</b>

<b>Software</b>							
Gross Block	-Opening Balance	5.84	3.94	1.72	1.01	1.01	0.40
	-Additions during the year	0.38	1.90	2.22	0.71	-	0.61
	<b>-Closing Balance</b>	6.22	5.84	3.94	1.72	1.01	1.01
Less: Accumulated Depreciation	-Opening Balance	1.95	1.18	0.59	0.63	0.38	0.13
	-For the Year	0.23	0.76	0.59	0.26	0.25	0.26
	-Deductions/ Adjustments	-	-	-	0.30		
	<b>-Closing Balance</b>	2.18	1.95	1.18	0.59	0.63	0.38
Net Block		<b>4.04</b>	<b>3.89</b>	<b>2.76</b>	<b>1.13</b>	<b>0.37</b>	<b>0.62</b>
<b>Motor Car</b>							
Gross Block	-Opening Balance	33.28	33.28	27.17	24.07	24.07	24.07
	-Additions during the year	-	-	30.17	3.10	-	-
	-Deductions during the year	-	-	24.07			
	<b>-Closing Balance</b>	33.28	33.28	33.28	27.17	24.07	24.07
Less: Accumulated Depreciation	-Opening Balance	9.38	4.11	14.97	15.97	13.14	9.32
	-For the Year	1.32	5.27	6.61	6.56	2.83	3.82
	-Deductions/ Adjustments	-	-	17.46	7.56	-	-
	<b>-Closing Balance</b>	10.70	9.38	4.11	14.97	15.97	13.14
Net Block		<b>22.58</b>	<b>23.89</b>	<b>29.16</b>	<b>12.20</b>	<b>8.10</b>	<b>10.93</b>
<b>Motor Cycle</b>							
Gross Block	-Opening Balance	0.63	0.63	0.63	0.52	0.52	0.52
	-Additions during the year	-	-	-	0.63	-	-
	-Deductions during the year	-	-	-	0.52	-	-
	<b>-Closing Balance</b>	0.63	0.63	0.63	0.63	0.52	

							0.52
Less: Accumulated Depreciation	-Opening Balance	0.17	0.11	0.05	0.37	0.31	0.24
	-For the Year	0.01	0.06	0.06	0.06	0.05	0.07
	-Deductions/ Adjustments	-	-	-	0.37		
	<b>-Closing Balance</b>	0.19	0.17	0.11	0.05	0.37	0.31
Net Block		<b>0.44</b>	<b>0.46</b>	<b>0.52</b>	<b>0.58</b>	<b>0.16</b>	<b>0.21</b>
<b>Furniture and Fixtures</b>							
Gross Block	-Opening Balance	9.20	9.20	9.04	8.64	1.90	1.80
	-Additions during the year	-	-	0.16	0.39	6.74	0.10
	<b>-Closing Balance</b>	9.20	9.20	9.20	9.04	8.64	1.90
Less: Accumulated Depreciation	-Opening Balance	3.72	2.76	1.80	1.87	1.10	0.93
	-For the Year	0.24	0.96	0.96	0.93	0.78	0.16
	-Deductions/ Adjustments	-	-	-	1.00		
	<b>-Closing Balance</b>	3.96	3.72	2.76	1.80	1.87	1.10
Net Block		<b>5.24</b>	<b>5.48</b>	<b>6.44</b>	<b>7.24</b>	<b>6.77</b>	<b>0.81</b>
<b>Office Equipments</b>							
Gross Block	-Opening Balance	7.35	6.47	5.52	3.57	3.39	2.81
	-Additions during the year	0.37	0.88	0.95	1.95	0.18	0.58
	<b>-Closing Balance</b>	7.73	7.35	6.47	5.52	3.57	3.39
Less: Accumulated Depreciation	-Opening Balance	5.44	4.42	2.49	1.41	0.98	0.62
	-For the Year	0.22	1.02	1.93	1.93	0.43	0.36
	-Deductions/ Adjustments	-	-	-	0.86		
	<b>-Closing Balance</b>	5.65	5.44	4.42	2.49	1.41	0.98
Net Block		<b>2.07</b>	<b>1.92</b>	<b>2.05</b>	<b>3.04</b>	<b>2.16</b>	<b>2.41</b>



<b>Tools and Equipments</b>							
Gross Block	-Opening Balance	8.38	8.31	7.57	6.60	3.00	-
	-Additions during the year	3.02	0.07	0.74	0.97	3.60	3.00
	<b>-Closing Balance</b>	11.39	8.38	8.31	7.57	6.60	3.00
Less: Accumulated Depreciation	-Opening Balance	1.82	1.28	0.76	0.87	0.28	-
	-For the Year	0.28	0.54	0.52	0.48	0.59	0.28
	-Deductions/ Adjustments	-	-	-	0.59		
	<b>-Closing Balance</b>	2.10	1.82	1.28	0.76	0.87	0.28
Net Block		<b>9.30</b>	<b>6.56</b>	<b>7.03</b>	<b>6.81</b>	<b>5.73</b>	<b>2.72</b>
<b>Total Tangible Assets</b>		<b>285.27</b>	<b>283.82</b>	<b>294.56</b>	<b>283.29</b>	<b>256.12</b>	<b>104.74</b>
<b>Capital Work in Progress</b>							
Gross Block	-Opening Balance	6.42	4.00	4.00	3.93	1.77	11.68
	-Additions during the year	-	2.43	-	0.07	2.16	1.77
	-Deductions during the year					-	11.68
	<b>-Closing Balance</b>	6.42	6.42	4.00	4.00	3.93	1.77
Less: Accumulated Depreciation	-Opening Balance	-	-	-	-	-	-
	-For the Year	-	-	-	-	-	-
	<b>-Closing Balance</b>	-	-	-	-	-	-
Net Block		<b>6.42</b>	<b>6.42</b>	<b>4.00</b>	<b>4.00</b>	<b>3.93</b>	<b>1.77</b>
<b>Total Capital Work-in-Progress</b>		<b>6.42</b>	<b>6.42</b>	<b>4.00</b>	<b>4.00</b>	<b>3.93</b>	<b>1.77</b>
<b>Total Depreciation during the year</b>		<b>4.85</b>	<b>18.62</b>	<b>20.15</b>	<b>19.36</b>	<b>16.74</b>	<b>8.13</b>

**ANNEXURE I.12: RESTATED CONSOLIDATED STATEMENT OF LOANS & ADVANCES**

(Rs. In Lakhs)

Particulars	Current Portion
-------------	-----------------

	As at	As at March 31,				
	June 30,	2017	2016	2015	2014	2013
	2017					
Capital Advances						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	-	-
Doubtful	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
Loans and advances to employees						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	0.12	0.14	1.09	0.14	0.12	1.16
Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>0.12</b>	<b>0.14</b>	<b>1.09</b>	<b>0.14</b>	<b>0.12</b>	<b>1.16</b>
Security deposits						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	-	-
Doubtful	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
Advance recoverable in Cash						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	58.43	44.83	51.51	93.07	103.82	7.08
Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>58.43</b>	<b>44.83</b>	<b>51.51</b>	<b>93.07</b>	<b>103.82</b>	<b>7.08</b>
Prepaid expenses	3.82	1.27	1.48	3.61	2.28	0.99
<b>Total</b>	<b>3.82</b>	<b>1.27</b>	<b>1.48</b>	<b>3.61</b>	<b>2.28</b>	<b>0.99</b>
Balances with government authorities						
Unsecured, considered good						
(i) Income Tax & TDS	-	-	-	-	-	-
(ii) Haryana vat tax recoverble form sales tax department	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
Others						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	36.38	47.21	56.83	27.42	43.32	37.98
<b>Total</b>	<b>36.38</b>	<b>47.21</b>	<b>56.83</b>	<b>27.42</b>	<b>43.32</b>	<b>37.98</b>
<b>Grand Total</b>	<b>98.75</b>	<b>93.45</b>	<b>110.91</b>	<b>124.25</b>	<b>149.54</b>	<b>47.21</b>

Out of the above amounts, outstanding from promoters/promoter group/group directors/relative of directors are as follows:

(Rs. In Lakhs)

Particulars	As at	As at March 31,				
	June 30,	2017	2016	2015	2014	2013
From Promoters/Directors/Relatives	-	-	-	-	-	-
From Group Companies	-	-	-	-	-	-
<b>Grand Total</b>	-	-	-	-	-	-

**ANNEXURE I.13: RESTATED CONSOLIDATED STATEMENT OF OTHER NON-CURRENT ASSETS**

(Rs. In Lakhs)

Particulars	As at June	As at March 31,				
	30,	2017	2016	2015	2014	2013
Sales Tax/VAT receivables	-	-	-	-	-	7.14
Income Tax receivables	-	-	-	-	-	-
Security Deposits	1.15	1.06	1.06	2.98	3.04	4.60
Advance Tax net of provisions	-	-	-	-	-	4.29
<b>Grand Total</b>	<b>1.15</b>	<b>1.06</b>	<b>1.06</b>	<b>2.98</b>	<b>3.04</b>	<b>16.03</b>

**ANNEXURE I.14: RESTATED STATEMENT OF INVENTORIES**

(Rs. In Lakhs)

Particulars	As at June	As at March 31,				
	30,	2017	2016	2015	2014	2013
(at cost or net realisable value, whichever is lower)						
Raw materials and Auxiliary goods	401.38	371.93	278.04	349.80	376.54	246.84
Finished/ Semi Finished Goods	38.17	49.56	73.64	46.20	49.24	18.75
Stock-in-Trade	66.93	24.44	28.33	58.34	35.61	12.29
<b>Grand Total</b>	<b>506.68</b>	<b>445.93</b>	<b>380.00</b>	<b>454.34</b>	<b>461.39</b>	<b>277.88</b>

I.14.1 Finished/Semi-finished Goods

Particulars	As at	As at	As at	As at	As at	As at
	June 30,	March 31,	March	March 31,	March 31,	March 31,
	2017	2017	31, 2016	2015	2014	2013
<b>Finished Goods</b>						
-Speakers/Amplifiers	38.17	49.56	73.64	46.20	49.24	18.75
<b>Total</b>	<b>38.17</b>	<b>49.56</b>	<b>73.64</b>	<b>46.20</b>	<b>49.24</b>	<b>18.75</b>

**ANNEXURE I.15: RESTATED CONSOLIDATED STATEMENT OF TRADE RECEIVABLES**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
Outstanding for a period less than six month from the date they are due for payment						
Unsecured, Considered Good	203.30	288.83	79.02	44.79	24.68	21.21
<b>Total</b>	<b>203.30</b>	<b>288.83</b>	<b>79.02</b>	<b>44.79</b>	<b>24.68</b>	<b>21.21</b>
Outstanding for a period exceeding six months from the date they are due for payment						
Unsecured, Considered Good	16.43	22.20	22.04	24.19	10.24	8.30
<b>Total</b>	<b>16.43</b>	<b>22.20</b>	<b>22.04</b>	<b>24.19</b>	<b>10.24</b>	<b>8.30</b>
<b>Grand Total</b>	<b>219.73</b>	<b>311.03</b>	<b>101.06</b>	<b>68.98</b>	<b>34.92</b>	<b>29.51</b>

I.15.1 Out of the above amounts outstanding from promoters/promoter group/group directors/relative of directors are as follows:

(Rs. In Lakhs)

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
<b>From Promoters/Directors/Relatives</b>						
<b>From Company in which Directors and their relatives are Directors</b>						
-Linear Electronics Pvt. Ltd.	0.00	0.00	1.65	1.65	1.65	1.96
-R & S (India) Electronics Pvt. Ltd.	77.49	191.80	19.50	-	-	-
<b>Grand Total</b>	<b>77.49</b>	<b>191.80</b>	<b>21.15</b>	<b>1.65</b>	<b>1.65</b>	<b>1.96</b>

**ANNEXURE I.16: RESTATED CONSOLIDATED STATEMENT OF CASH & CASH EQUIVALENTS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
<b>A) Cash and Cash Equivalents</b>						
(a)Cash on hand	0.03	0.07	0.18	0.53	0.01	0.24
(b)Balances with Banks:	<b>42.63</b>	6.22				
- in current accounts			4.54	(0.45)	1.73	8.02
<b>Grand Total</b>	<b>42.66</b>	<b>6.30</b>	<b>4.73</b>	<b>0.08</b>	<b>1.74</b>	<b>8.26</b>

**ANNEXURE I.17: RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT ASSETS**

(Rs. In Lakhs)

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
<b>Unsecured:</b>						
Unamortized Preliminary Expense	-	-	-	-	-	-
Interest accrued and due on Deposits/Advances	-	-	-	-	-	-
<b>Grand Total</b>	-	-	-	-	-	-

**NOTE II.1: RESTATED CONSOLIDATED STATEMENT OF REVENUE FROM OPERATIONS**

(Rs. In Lakhs)

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
<b>A) Sales of products</b>						
Manufactured Goods						
-Gross Value	293.39	1249.47	1,029.43	1,046.81	760.67	397.67
-Less:- Excise duty	30.26	104.72	72.82	85.73	87.41	16.96
<b>Net Value</b>	<b>263.14</b>	<b>1,144.75</b>	<b>956.62</b>	<b>961.09</b>	<b>673.26</b>	<b>380.71</b>
-Traded Goods	88.89	164.55	241.15	152.19	174.53	92.96
<b>B) Sale of Services</b>	23.09	66.79	95.57	62.08	70.77	52.55
<b>C) Other Operating Revenue</b>						
-Duty Drawback	0.44	0.49	5.08	2.10	1.60	1.71
-Sale of FPS Licence			-	-	-	-
<b>Net Revenue From Operations</b>	<b>375.56</b>	<b>1,376.58</b>	<b>1,298.42</b>	<b>1,177.46</b>	<b>920.15</b>	<b>527.93</b>

Notes:

Particulars	As at June 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
<b>II.1.1</b>						
<b>a. Manufactured Goods</b>						
<b><u>Finished Goods</u></b>						
-Speakers/Amplifiers	263.14	1,144.75	956.62	961.09	673.26	380.71
<b>Total</b>	<b>263.14</b>	<b>1,144.75</b>	<b>956.62</b>	<b>961.09</b>	<b>673.26</b>	<b>380.71</b>
<b>b. Traded Goods</b>						

-Amplifiers	88.89	164.55	241.15	152.19	174.53	92.96
<b>Total</b>	<b>88.89</b>	<b>164.55</b>	<b>241.15</b>	<b>152.19</b>	<b>174.53</b>	<b>92.96</b>
<b>Revenue from Operations</b>	<b>375.56</b>	<b>1,376.58</b>	<b>1,298.42</b>	<b>1,177.46</b>	<b>920.15</b>	<b>527.93</b>

**NOTE II.2: RESTATED CONSOLIDATED STATEMENT OF OTHER INCOME**

(Rs. In Lakhs)

Particulars	Recurring / Non-Recurring	For Period Ended June 30,	For the year Ended March 31,				
		2017	2017	2016	2015	2014	2013
Dividend Income	Recurring	-	0.03	0.03	0.03	0.03	0.03
Amount Writtenback/Bad Debts Recovered	Non-recurring	-	-	-	-	-	-
Foreign Exchange Gain on Payment/Receipt	Non-recurring	0.34	4.25	3.21	2.57	4.47	1.93
Freight Forwarding Income - Sale	Non-recurring	1.31	-	-	-	-	-
Sundry Amount Write off back	Non-recurring	-	-	-	0.07	-	-
Profit on sale of Motor Car	Non-recurring	-	-	0.50	-	-	-
Misc. Income	Non-recurring	8.99	4.12	4.86	10.41	1.10	0.36
<b>Grand Total</b>		<b>10.64</b>	<b>8.40</b>		<b>8.61</b>	<b>13.08</b>	<b>5.60</b>

**NOTE II.3: RESTATED CONSOLIDATED STATEMENT OF COST OF MATERIAL CONSUMED**

(Rs. In Lakhs)

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
<b>Consumption of Raw Material</b>						
Inventory at the beginning of the year	371.93	278.04	349.80	376.54	246.84	227.12
Add: Purchase/ (Less Returns)	106.07	406.91	488.65	490.47	498.82	220.41
<b>Total</b>	<b>477.99</b>	<b>684.95</b>	<b>838.45</b>	<b>867.01</b>	<b>745.66</b>	<b>447.53</b>
Less: Inventory at the end of the year	401.58	371.93	278.04	349.80	376.54	246.84
<b>Total</b>	<b>76.42</b>	<b>313.02</b>	<b>560.42</b>	<b>517.21</b>	<b>369.12</b>	<b>200.69</b>
<b>Cost of material consumed during the year</b>	<b>76.42</b>	<b>313.02</b>	<b>560.42</b>	<b>517.21</b>	<b>369.12</b>	<b>200.69</b>

Notes:

**II.3.1 Value of imported & indigenous Raw Material and Packaging material consumed and the percentage of each to the total consumption**

(Rs. in Lakhs)

Particulars	Upto June 30,	2016-17	2015-16	2014-15	2013-14	2012-13
-------------	---------------	---------	---------	---------	---------	---------

	2017											
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Raw Material</b>												
-Indegenious Goods	31.22	40.86	131.91	42.64	279.08	49.80%	96.11	18.58%	88.54	23.99%	69.22	34.49%
-Imported Material	45.19	59.14	181.11	57.86	281.33	50.20%	421.11	81.42%	280.58	76.01%	131.47	65.51%
<b>Total</b>	<b>76.41</b>	<b>100%</b>	<b>313.02</b>	<b>100%</b>	<b>560.41</b>	<b>100%</b>	<b>517.21</b>	<b>100%</b>	<b>369.12</b>	<b>100%</b>	<b>200.69</b>	<b>100%</b>

### II.3.2 Detail of Raw Material Consumed

(Rs. in Lakhs)

Particulars	Upto June 30, 2017		2016-17		2015-16		2014-15		2013-14		2012-13	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Raw Materials</b>												
-Audio Components	76.41	100%	313.02	100%	560.42	100%	517.21	100%	369.12	100%	200.69	100%
<b>Grand Total</b>	<b>76.41</b>	<b>100%</b>	<b>313.02</b>	<b>100%</b>	<b>560.42</b>	<b>100%</b>	<b>517.21</b>	<b>100%</b>	<b>369.12</b>	<b>100%</b>	<b>200.69</b>	<b>100%</b>

### NOTE II.4: RESTATED CONSOLIDATED STATEMENT OF PURCHASE OF STOCK-IN-TRADE

(Rs. In Lakhs)

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
<b>Traded Goods:</b>						
-Amplifiers (Audio Equipments)	99.46	170.10	136.11	139.80	155.39	47.88
<b>Total</b>	<b>99.46</b>	<b>170.10</b>	<b>136.11</b>	<b>139.80</b>	<b>155.39</b>	<b>47.88</b>

### NOTE II.5: RESTATED CONSOLIDATED STATEMENT OF MANUFACTURING EXPENSES

(Rs. In Lakhs)

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Labour Charges	0.68	2.84	4.79	6.25	4.53	0.61
Rent - Factory	1.80	5.40	9.00	9.18	15.65	19.74
Packing Charges (Local)	0.11	0.15	0.35	-	-	-
Freight & Forwarding	0.48	2.89	3.64	1.74	2.54	2.12

Electricity Expenses	2.70	9.02	5.08	5.65	4.66	3.14
<b>Total</b>	<b>5.78</b>	<b>20.29</b>	<b>22.86</b>	<b>22.82</b>	<b>27.38</b>	<b>25.61</b>

**NOTE II.6: RESTATED CONSOLIDATED STATEMENT OF CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN-TRADE**

(Rs. In Lakhs)

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
<b>Inventories at the end of the Year</b>						
-Finished Goods	38.17	49.56	73.64	46.20	49.24	18.75
-Stock-in-Trade	66.93	24.44	28.33	58.34	35.61	12.29
-Work-in-Progress	-	-	-	-	-	-
<b>Total</b>	<b>105.10</b>	<b>74.00</b>	<b>101.97</b>	<b>104.54</b>	<b>84.85</b>	<b>31.04</b>
<b>Inventories at the beginning of the Year</b>						
-Finished Goods	49.56	73.64	46.20	49.24	18.75	21.34
-Stock-in-Trade	24.44	28.33	58.34	35.61	12.29	28.28
-Work-in-Progress	-	-	-	-	-	-
<b>Total</b>	<b>74.00</b>	<b>101.97</b>	<b>104.54</b>	<b>84.85</b>	<b>31.04</b>	<b>49.62</b>
<b>Change in Inventories of Finished Goods, Work -in-progress &amp; Stock In trade</b>	<b>(31.10)</b>	<b>27.96</b>	<b>2.57</b>	<b>(19.69)</b>	<b>(53.81)</b>	<b>18.58</b>

**NOTE II.7: RESTATED CONSOLIDATED STATEMENT OF EMPLOYEE BENEFIT EXPENSES**

(Rs. In Lakhs)

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
-Directors Remuneration	16.74	39.10	14.39	13.20	13.50	-
-Salary & Wages	68.93	241.20	243.54	222.50	161.45	106.22
<b>Total</b>	<b>85.67</b>	<b>280.30</b>	<b>257.93</b>	<b>235.70</b>	<b>174.95</b>	<b>106.22</b>

**NOTE II.8: RESTATED CONSOLIDATED STATEMENT OF FINANCE COST**

(Rs. In Lakhs)

Particulars	For Period Ended June 30,	For the year Ended March 31,				
	2017	2017	2016	2015	2014	2013
<b>Interest Expenses</b>						
-Interest Paid to Bank on Car Loan	0.29	1.33	0.74	0.29	0.64	0.95
-Interest Paid to Bank OD & Loan	3.14	15.00	16.73	18.68	11.85	-
<b>Other Borrowing Costs</b>						



-Bank Charges	3.09	2.68	3.25	4.16	6.18	1.42
<b>Total</b>	<b>6.52</b>	<b>19.01</b>	<b>20.72</b>	<b>23.13</b>	<b>18.66</b>	<b>2.36</b>

**NOTE II.9: RESTATED CONSOLIDATED STATEMENT OF OTHER EXPENSES**
**(Rs. In Lakhs)**

Particulars	As at June 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
<b><u>Administrative Expenses</u></b>						
Conveyance	0.44	1.99	4.22	7.13	6.57	4.63
Donation	-	-	-	20.00	0.05	-
Central Excise Payment	-	-	-	0.27	0.01	-
Insurance	1.07	5.36	5.40	5.85	3.20	3.37
Interest on Statutory Dues	-	-	-	1.12	0.38	-
Postage and Courier Charges	0.25	0.85	0.40	0.40	0.38	0.20
Telephone Expenses	0.74	2.99	2.93	3.88	3.28	2.38
Loading/Unloading	-	0.05	0.25	-	1.06	0.51
Loss on sale of Motor Cycle	-	-	-	0.23	-	-
License Fee	-	0.36	0.29	0.30	0.30	0.17
Office Expenses	0.65	2.74	1.04	0.70	1.11	0.26
Printing and Stationary	1.23	2.64	2.70	2.39	2.28	1.03
Professional Charges	38.41	97.13	68.19	58.78	67.71	31.56
Remuneration to Auditor						
-Audit Fees	0.11	0.43	0.43	0.43	0.40	0.20
-Tax Audit Fees	0.05	0.20	0.20	0.20	0.20	0.15
Rates & Taxes	0.05	3.53	1.76	0.13	0.25	0.18
Rent-Office	0.18	9.06	10.72	10.72	10.47	1.85
Repairs & Maintenance - Motor Car	0.78	2.82	2.89	3.18	2.28	0.28
Repairs & Maintenance - General	2.86	11.81	10.00	7.39	10.67	21.61
Repairs & Maintenance - Computers	0.02	0.66	1.70	0.11	0.04	0.40
Security Expenses	1.56	6.62	6.60	5.05	10.22	4.30
Misc. Expenses	2.19	3.66	0.91	0.67	0.40	0.22
<b>Total</b>	<b>50.60</b>	<b>152.89</b>	<b>120.61</b>	<b>128.92</b>	<b>121.26</b>	<b>73.29</b>
<b><u>Selling &amp; Distribution Expenses</u></b>	-					
Advertisement Expenses	0.30	1.51	1.54	0.83	0.01	0.10
Amounts Written off	0.05	11.93	4.80	-	2.35	0.10
Business Promotion	3.44	7.51	9.41	3.46	4.07	0.13
Freight & Cartage(Export)	0.68	0.63	1.22	1.22	3.46	
Commission	9.54	95.87	60.57	42.97	17.46	0.38
Hotel & Accomodation	1.65	5.00	5.41	3.28	4.55	2.12
Transport Charges	0.28	2.26	0.84	8.53	5.23	0.78

Travelling Expenses	18.39	44.59	46.02	46.19	42.25	13.72
Bad Debts	-	-	-	-	-	-
<b>Total</b>	<b>34.33</b>	<b>169.30</b>	<b>129.80</b>	<b>106.48</b>	<b>79.37</b>	<b>17.33</b>
<b>Grand Total</b>	<b>84.92</b>	<b>322.18</b>	<b>250.41</b>	<b>235.40</b>	<b>200.64</b>	<b>90.62</b>

**Annexure IV: Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements for the period ended June 30, 2017 and years ended March 31, 2017, 2016, 2015, 2014 and 2013.**

**1. General Information**

Pulz Electronics Limited was incorporated on July 25, 2005 with Registrar of Companies, West Bengal, Kolkata as Private Limited Company under the provisions of the Companies Act, 1956. The Company develops and manufacture high quality audio system and solution that capitalize on the emergence of new Co-Axial technology and line array based speaker systems for the cinema, Pro Audio, Studio and Home Audio Industries such as Co-Axial Surround Speaker, Hi Power and in wall Subwoofers, Hi Power Co-Axial Speakers etc at Palghar, Mumbai.

**2. Basis of Preparation of Restated Consolidated Summary Financial Information**

i. The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as at June 30, 2017 and March 31, 2017, 2016, 2015, 2014 and 2013 and the related Restated Consolidated Summary Statement of Profit and Loss and Cash Flows for the period ended June 30, 2017 and years ended March 31, 2017, 2016, 2015, 2014 and 2013 (collectively referred to as the 'Restated Consolidated Summary Financial Information') have been prepared specifically for the purpose of inclusion in the Offer Documents to be filed with NSE (Emerge Plat form) in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

ii. The Restated Consolidated Summary Financial Information has been prepared by applying necessary adjustments to:

a. the Consolidated financial statements ('financial statements') of the Company for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, prepared and presented under the historical cost convention using the accrual system of accounting in accordance with the generally accepted accounting principles in India ('Indian GAAP'), the provisions of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act, 2013 (with effect from 01 April, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014), to the extent applicable and in the manner so required, and ;.

b. the Consolidated interim financial statements for the period ended June 30, 2017 (April to June, 2017), which have been prepared and presented under the historical cost on the accrual basis of accounting and in accordance with the generally accepted accounting principles in India ("GAAP"), the provisions of the Companies Act, 2013, the Accounting Standard (AS) 25, Interim Financial Reporting and other accounting standards as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable and in the manner so required.

iii. With effect from 1 April 2014, Schedule III notified under the Act, has become applicable to the Company for the preparation and presentation of its financial statements. Accordingly, previous years' figures have been regrouped/reclassified wherever applicable. Appropriate re-classifications/regrouping have been made in the Restated Consolidated Summary Financial Information wherever required, to corresponding items of income,

expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the audited financial statements of the Company and the requirement of SEBI Regulations. The financial statements are prepared in Indian rupees rounded off to the nearest lakhs.

### **Operating Cycle:**

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalent.

## **3. Significant Accounting Policies:**

### **3.1 Use of Estimates**

The preparation of financial statements in conformity with GAAP in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of financial statements, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. On an ongoing basis, estimates are evaluated based on historical experience and on various other assumptions that are believed to be reasonable, the results of which forms the basis for making judgments about the carrying value of assets and liabilities. Actual results could differ from those estimates. Any revision to estimates or difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

### **3.2 Fixed Assets**

(i) Fixed assets are accounted for on historical cost basis (inclusive of the cost of installation and other incidental costs till commencement of commercial production) net of recoverable taxes, less accumulated depreciation and impairment loss, if any.

(ii) Expenditure on renovation/ modernization relating to existing fixed assets is added to the cost of such assets where it increases its performance/life significantly.

(iii) Cost of leasehold land is amortized over the period of lease.

### **3.3 Depreciation**

(iii) Depreciation on fixed assets is provided on Straight line method as per the useful life of the assets estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013.

(iv) Depreciation in respect of addition to fixed assets is provided on pro-rata basis from month to month in which such assets was acquired/ installed

### **3.4 Revenue Recognition**

(i) All known income and expenditure quantifiable till the date of signing of report are accounted on accrual basis when virtual certainty is established.

(ii) Sales Revenue is recognised when property in the goods with all risk rewards and effective control of goods usually associated with ownership are transferred to buyer.

(iii) Sales are stated net of trade discounts and sales taxes.

(iv) The expenses and income considered payable and receivable respectively are accounted for on accrual basis.

### **3.5 Provisions and contingent liabilities**

(i) The Company creates a provision when there is a present obligation arising as result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balances sheet date and are not discounted to its present value.

(ii) A disclosure for a contingent liability is made when there is a present obligation arising as a result of past event that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

### **3.6 Inventory Valuation**

Inventories are valued at the lower of cost and net realisable value.

### **3.7 Impairment of Assets**

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impaired loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed, if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized, the carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss being recognized for the asset in prior year/s.

### **3.8 Borrowing costs**

Borrowing costs attributable to the acquisition and/or construction of qualifying assets are capitalized as a part of the cost of such assets, upto the date when such assets are ready for intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss.

### **3.9 Foreign Currency Transactions**

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currency existing at balance sheet date are translated at the year end exchange rates. Exchange rate differences arising on settlement of transaction and translation of monetary items are recognized as income or expenses in the year in which they arise. Premium or discount on forward exchange contract is amortised as income or expense over the life of the contract. Exchange difference on such contract is recognized in the Statement of Profit and Loss in the reporting period in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward contract is recognized as income or expenditure during the period.

### **3.10 Taxation**

Provision for current taxes is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred Tax resulting from “timing differences” between taxable and accounting income is accounted for using the tax rates and laws that have been substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

### 3.11 Earnings per Share:

Basic earnings per share is calculated by dividing net profit of the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**The above should necessarily be read with the ‘Statement of Material Adjustments to the Restated Consolidated Financial Statements’ appearing in Annexure – V and ‘Notes to the Restated Consolidated Financial Statements’ appearing in Annexure – VI.**

#### ANNEXURE – V: STATEMENT OF RECONCILIATION OF RESTATED PROFITS TO PROFITS AS PER AUDITED FINANCIAL STATEMENTS

(Rs. in Lakhs)

Particulars	For period Ended June 30,	For the Year Ended March 31,				
	2017	2017	2016	2015	2014	2013
Profit after tax (as per audited financial statements)	40.14	134.03	30.10	0.90	10.45	20.78
Restatement Adjustments	-	-	-	-	-	-
<b>Profit after Tax, as restated</b>	<b>40.14</b>	<b>134.03</b>	<b>30.10</b>	<b>0.90</b>	<b>10.45</b>	<b>20.78</b>

#### ANNEXURE VI: OTHER SIGNIFICANT NOTES

- Peerless Speakers Private Limited was incorporated on March 31, 2017 and the results have been consolidated as on June 30, 2017.
- Closing stock is as taken, valued & certified by the management of the company.
- The company can not identify the enterprises which have been providing goods and services to the company and which qualify under the definition of Micro Small and Medium Enterprise Development Act, 2006. Hence, the details required to be disclosed in this respect, can not be disclosed.
- In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated if realized in ordinary course of business. Provisions for known liabilities are made & not in excess of the amount reasonably necessary. Moreover Balances of Unsecured Loans, Receivables, Loans & Advances and Current Liabilities are subject to confirmation, reconciliation and adjustments, if any
- The figures of the previous year have been regrouped / recast wherever necessary so as to make them comparable with current year's figures. Figures have been rounded to nearest rupees in Lakhs.

**ANNEXURE VII: CONTINGENT LIABILITIES**
**(Rs. in Lakhs)**

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
Interest on Income Tax	-	-	-	-	-	-
Penalty - Excise Duty	0.40	0.40	-	-	-	-
TDS Demand	0.36	0.36	0.36	0.36	0.36	0.36
Income Tax Demand	3.99	3.99	3.99	3.99	3.99	3.99
<b>Grand Total</b>	<b>4.75</b>	<b>4.75</b>	<b>4.35</b>	<b>4.35</b>	<b>4.35</b>	<b>4.35</b>

**ANNEXURE VIII: SUMMARY OF ACCOUNTING RATIOS**

Particulars	As at June 30,	As at March 31,				
	2017	2017	2016	2015	2014	2013
Restated PAT as per P& L Account	40.14	134.03	30.10	0.90	10.45	20.78
Weighted Average Number of Equity Shares at the end of the Year (After Bonus issue with retrospective effect) *	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
<b>Net Worth</b>	423.06	382.91	248.89	218.78	195.41	184.96
<b>Earnings Per Share (with subsequent Bonus issue effect)</b>						
Basic	2.01	6.70	1.51	0.05	0.52	1.04
Diluted	2.01	6.70	1.51	0.05	0.52	1.04
<b>Return on Net Worth (%)</b>	9.49%	35.00%	12.10%	0.41%	5.35%	11.23%
<b>Net Asset Value Per Share (Rs) (after giving retrospective effect of issue of bonus shares)</b>	21.15	19.15	12.44	10.94	9.77	9.25
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00

**ANNEXURE IX: EARNING PER SHARE**
**(Rs. in lakhs)**

Particulars	As at June 30, 2017	As at March 31,				
		2017	2016	2015	2014	2013
A) Weighted Average Number of Equity Shares						

of Rs.10 each						
I) Number of shares at the beginning of the year (before bonus issue)	2,000,000	500,000	500,000	500,000	500,000	500,000
II) Number of shares at the end of the year (before bonus issue)	2,000,000	2,000,000	500,000	500,000	500,000	500,000
III) Weighted Average Number of Equity Shares outstanding during the year	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
IV) Weighted Average Number of Potential Equity Shares outstanding during the year	-	-	-	-	-	-
V) Weighted Average Number of Equity Shares for calculating Diluted EPS	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
B) Net profit/ (Loss) after Tax adjustments available for Equity Shareholders (in Lakhs)	40.14	134.03	30.10	0.90	10.45	20.78
C) Basic Earning Per Share (in Rupees) {B/A(III)}*	2.01	6.70	1.51	0.05	0.52	1.04
D) Diluted Earning Per Share (in Rupees) {B/A(V)}*	2.01	6.70	1.51	0.05	0.52	1.04

**Notes:**

- The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.
- Earning Per Share (EPS) is calculated after adjusting for bonus equity shares issued, with retrospective effect as provided in Accounting Standard (AS-20) - Earning per Share, issued by the Institute of Chartered Accountant of India.

\* 15,00,000 Equity shares of Rs. 10/- each were allotted as bonus shares on 15-02-2017 in the ratio of 3:1. Accordingly, the EPS has been calculated taking retrospective effect of this bonus issue.

**Formula:**

$$1 \frac{\text{Net Profit attributable to Equity Shares}}{\text{Weighted Average Number of Equity Shares Outstanding during the period}}$$

2	<u>Net Profit after Tax Adjustments</u> <u>Net worth at the end of the year/ period</u>
3	<u>Net Worth excluding Revaluation Reserve at the end of the period</u> <u>Total Number of Equity Shares Outstanding at the end of the year/period</u>
4	Equity Share Capital plus reserves and Surplus less Misc. Expenditure to the extent not written off

**ANNEXURE X - STATEMENT OF CAPITALISATION**
**(Rs. in Lakhs)**

Sr. No	Particulars	Pre issue	Post issue
	<b>Debts</b>		
<b>A.</b>	(a) Long Term Debt	7.06	7.06
<b>B.</b>	(b) Short Term Debt	147.08	147.08
<b>C.</b>	<b>Total Debt</b>	<b>154.15</b>	<b>154.15</b>
	<b>Equity Shareholders Funds</b>		
	(a) Equity Share Capital	200.00	[·]
	(b) Reserves and Surplus	223.06	[·]
<b>D.</b>	<b>Total Equity</b>	<b>423.06</b>	[·]
<b>E.</b>	<b>Total Capitalisation</b>	<b>577.20</b>	[·]
	<b>Long Term Debt/ Equity Ratio (A/D)</b>	0.02	[·]
	<b>Total Debt/ Equity Ratio (C/D)</b>	0.36	[·]

\* will be available after discovery of cut-off price

**ANNEXURE XI- STATEMENT OF RELATED PARTY DISCLOSURES AS RESTATED**

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

**A. List of Related Parties and Relationships**

S · N ·	Description of Relationship	Name of the Related party / Person				
		For the period ended June 30, 2017	For the Year Ended March 31,			
			2017	2016	2015	2014
1	Company and Firm in which Directors and their relatives are Directors or Partners	Linear Electronics, R&S Electronics and R&S (India) Electronics Private Limited				



2	Directors of the Company	Mr. Ramakrishanan M.K. and Mr. Anirvan Ghose
3	Relative of the Director	Dr. Parthasarthy Ghose
4	Enterprises in which directors has significant influence	Ramakrishanan (HUF)
5	Key Management Personnel	Mr. Ramakrishanan M.K. and Mr. Anirvan Ghose

Note:- Related Party relationships are as identified by the Company and relied upon by the Auditors

**B. Summary of transactions carried out with the related party in the ordinary course of business**

Particulars	Nature of Relationship / Name of the Party	For the period ended June 30, 2017	For the Year Ended March 31,				
			2017	2016	2015	2014	2013
1) Purchases	R & S Electronics	-		-	-	3.57	0.12
2) Rent Paid		-	7.50	10.00	10.00	9.90	3.60
3) Sales		-	-	-	-	-	0.03
1) Purchases	R&S (India) Electronics Private Limited	2.40	9.27	17.13	11.83	16.70	3.95
2) Sales		1.66	214.04	76.24	104.60	185.52	388.11
3) Rent Paid		-	6.24	9.00	9.18	3.60	3.60
4) Service Sales		2.90	7.00	5.16	5.49	5.20	19.21
1) Remunerations to Directors	Mr. Ramakrishnan M.K.	8.21	28.53	15.42	13.20	13.50	-
1) Remunerations to Directors	Mr. Anirvan Ghose	9.53	11.98	-	-	-	-
1) Payment	Dr. Parthasarthy Ghose	0.18	0.72	0.72	0.72	0.72	0.72

**C. Outstanding Balance as at the end of the year**

Particulars	Nature of Relationship / Name of the Party	For the period ended June 30, 2017	For the Year Ended March 31,				
			2017	2016	2015	2014	2013
<b>Receivables</b>	<b>Company and Firm in which Directors and their relatives are Directors or Partners</b>						
	-Linear Electronics Private Limited	-	-	1.65	1.65	1.65	1.98
	-R&S (India) Electronics Private Limited	77.49	191.80	19.50	-	-	-
	<b>Relative of the Director</b>						
	-Dr. Parthasarthy Ghose	-	-	-	-	-	-
<b>Payables</b>	<b>Company and Firm in which Directors and their relatives are Directors or Partners</b>						
	-R & S Electronics	184.14	184.14	184.14	184.14	181.08	167.68

-R&S (India) Electronics Private Limited	-	-	-	24.33	109.34	-
<b>Enterprises in which director has significant influence</b>						
-Ramakrishnan M.K(HUF)	-	-	0.22	0.22	0.22	-
<b>Director</b>						
-Mr. Ramakrishnan M.K.	2.74	-	4.90	4.87	6.77	-
-Mr. Anirvan Ghose	3.18	-	-	-	-	-

**ANNEXURE - XII: STATEMENT OF TAX SHELTERS**
**(Rs. In Lakhs)**

Particulars		For period ended June 30,	For the year ended March 31,				
		2017	2017	2016	2015	2014	2013
<b>Profit before taxes, as restated</b>	<b>A</b>	53.68	213.49	35.86	16.80	16.68	30.16
Weighted Average Tax Rate (%)	<b>B</b>	30.90%	33.06%	30.90%	30.90%	30.90%	30.90%
Tax expense at weighted average rate (A*B)	<b>C</b>	16.59	70.59	11.08	5.19	5.15	9.32
<b>Adjustments:</b>							
<b>Permanent Differences</b>							
Interest and penalty paid to Govt Deptt		-	-	-	-	-	-
Disallowance u/s 36 (i) (va)		-	-	-	-	-	-
Donation		-	-	-	-	-	-
<b>Total Permanent Differences</b>	<b>D</b>	-	-	-	-	-	-
<b>Temporary Differences</b>							
Difference between Book depreciation and Tax depreciation		(1.03)	(7.91)	(7.98)	(7.09)	(5.22)	0.19
Penalty Excise duty		-	-	-	-	-	-
Expenditure of capital in nature		-	3.00	-	0.23	-	-
Provision for Gratuity Benefit to Employees		-	0.09	0.82	9.09	4.98	0.80
Expenses debited to P&L relating to Section 35AC of Income Tax Act 1961, considered separately		-	-	-	20.00	-	-
Provision for leave encashment		-	2.88	3.72	5.14	3.30	2.49
WB VAT		-	-	-	-	-	-
Expenses credited to P&L relating to Section 35AC of Income Tax Act 1961,		-	-	-	(20.00)	-	-

considered separately							
Company Setup Expenses		-	-	-	-	-	-
Preliminary Expenses W/off		-	-	-	-	-	-
Leave encashment allowed		(2.88)	(1.29)	(5.14)	(3.30)	(2.49)	(1.81)
Profit on sale of Motor Car		-	-	(0.50)	-	-	-
Loss setoff from PY		-	-	-	-	-	-
<b>Total Temporary Differences</b>	<b>E</b>	<b>(3.91)</b>	<b>(3.24)</b>	<b>(9.09)</b>	<b>4.07</b>	<b>0.57</b>	<b>1.67</b>
<b>Net Adjustments F= (D+E)</b>	<b>F</b>	<b>(3.91)</b>	<b>(3.24)</b>	<b>(9.09)</b>	<b>4.07</b>	<b>0.57</b>	<b>1.67</b>
<b>Tax expense/(saving) thereon (F*B)</b>	<b>G</b>	<b>(1.21)</b>	<b>(1.07)</b>	<b>(2.81)</b>	<b>1.26</b>	<b>0.18</b>	<b>0.51</b>
<b>Tax Liability after considering the effect of Adjustment (C+G)</b>	<b>H</b>	<b>15.38</b>	<b>69.52</b>	<b>8.27</b>	<b>6.45</b>	<b>5.33</b>	<b>9.83</b>
MAT Credit Utilized		-		-	-	-	
<b>Tax Liability, After considering effect of MAT Credit</b>	<b>I</b>	<b>15.38</b>	<b>69.52</b>	<b>8.27</b>	<b>6.45</b>	<b>5.33</b>	<b>9.83</b>
Book Profit as Per MAT*	<b>J</b>	53.68	213.49	35.86	16.80	16.68	30.16
MAT Rate	<b>K</b>	19.31%	19.31%	19.31%	19.31%	19.31%	19.31%
Tax Liability as per MAT (J*K)	<b>L</b>	10.37	41.23	6.93	3.24	3.22	
<b>Current Tax being Higher of I or L</b>	<b>M</b>	<b>15.38</b>	<b>69.52</b>	<b>8.27</b>	<b>6.45</b>	<b>5.33</b>	<b>9.83</b>
MAT Credit Entitlement	<b>N</b>	-	-	-	-	-	-
<b>Total Tax Expenses (M+N)</b>	<b>O</b>	<b>15.38</b>	<b>69.52</b>	<b>8.27</b>	<b>6.45</b>	<b>5.33</b>	<b>9.83</b>
<b>Total Tax Expenses as per Income Tax Return (before interest &amp; penalty)</b>	<b>P</b>	<b>15.38</b>	<b>69.52</b>	<b>8.27</b>	<b>6.46</b>	<b>5.33</b>	<b>9.84</b>
<b>Tax paid as per normal or MAT</b>	<b>Q</b>	<b>NORMAL</b>	<b>NORMAL</b>	<b>NORMAL</b>	<b>NORMAL</b>	<b>NORMAL</b>	<b>NORMAL</b>

\* MAT Refers to Minimum Alternate Tax as referred to in section 115JB of the income Tax Act, 1961

#### ANNEXURE – XIII

#### STATEMENT OF FINANCIAL INDEBTEDNESS

The details of indebtedness of our Company as at June 30, 2017, together with a brief description of certain material covenants of the relevant financing agreements, are provided below:

#### A) Secured Loan

(Rs. In Lakhs)

Name of Lender Bank	Guarantors	Purpose	Sanctioned Amount (Rs. in Lakhs)	Rate of Interest (%)	Securities offered	Repayment Schedule	Moratorium	Outstanding amount as on 30/06/2017 as per

								books
ICICI Bank	Mr. Anirvan Ghose (Director of the company)	Vehicle Loan	16.50	9.85%	Hypothecation of motor car acquired under the loan	60 EMI	NA	11.22
Axis Bank	Mr. Ramakrishnan Kattil Mr. Anirvan Ghose (Directors of the company)	Working Capital	160.00	11.10%	Hypothecation on entire current assets of the company, both present and future and factory building	Renewable on Yearly Basis	NA	3.46
Yes Bank Ltd.	NA	Working Capital	250	12%+MCLR	1. Exclusive charge on Current Asset & Moveable Fixed Asset of Borrower 2. EM of property located at Plot No 5, Arihant Industrial Estate, Gut No 359 H No. of (P) of Village Nandore Tal, Palaghar (W) - 401404	Renewable on Yearly Basis	NA	143.62
<b>Total (A)</b>								<b>158.30</b>

**ANNEXURE - XIV : ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARIES**

**(Rs. In Lakhs)**

Name of Entity in the	30-Jun-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Net Assets - total assets minus total liabilities											
	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount
<b>Parent</b>												
Pulz Electronics Limited	99.82 %	422.53	100.00 %	382.91	100.00 %	248.89	100.00 %	218.78	100.00 %	195.41	100.00 %	184.96
<b>Subsidiaries</b>												
<b>Indian</b>												
Peerless Speakers Private Limited	0.18 %	0.76	0.00 %	-	0.00 %	-	0.00 %	-	0.00 %	-	0.00 %	-
<b>Minority Interests in all Subsidiaries</b>												
			0.00 %	-	0.00 %	-	0.00 %	-	0.00 %	-	0.00 %	-
<b>Inter company Elimination &amp; Consolidation Adjustments</b>												
			0.00 %	-	0.00 %	-	0.00 %	-	0.00 %	-	0.00 %	-
<b>Total</b>	<b>100.00 %</b>	<b>423.29</b>	<b>100.00 %</b>	<b>382.91</b>	<b>100.00 %</b>	<b>248.89</b>	<b>100.00 %</b>	<b>218.78</b>	<b>100.00 %</b>	<b>195.41</b>	<b>100.00 %</b>	<b>184.96</b>

Name of Entity in the	Share in profit or loss											
	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated profit or loss	Amount
<b>Parent</b>												
Pulz Electronics Limited	100.61 %	40.38	100.00 %	134.03	100.00 %	30.10	100.00 %	0.90	100.00 %	10.45	100.00 %	20.78
<b>Subsidiaries</b>												
<b>Indian</b>												
Peerless Speakers Private Limited	(0.61%)	(0.24)	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Minority Interests in all Subsidiaries</b>			0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Inter company Elimination &amp; Consolidation Adjustments</b>			0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Total</b>	<b>100.00 %</b>	<b>40.13</b>	<b>100.00 %</b>	<b>134.03</b>	<b>100.00 %</b>	<b>30.10</b>	<b>100.00 %</b>	<b>0.90</b>	<b>100.00 %</b>	<b>10.45</b>	<b>100.00 %</b>	<b>20.78</b>



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements as of and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared in accordance with the Companies Act, 2013 and Companies Act, 1956 to the extent applicable and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in "Financial Statements" beginning on page 158 of this Red Herring Prospectus.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "Risk Factors" and "Forward-Looking Statements" beginning on pages 20 and 19 respectively, of this Red Herring Prospectus.

### BUSINESS OVERVIEW

Our Company was incorporated on July 25, 2005 as Pulz Electronics Private Limited. The Company was converted into Public Limited Company vide fresh Certificate of Incorporation dated March 22, 2017 issued by Registrar of Companies, Kolkata, West Bengal. The registered office of our company is situated at 46 Satish Mukherjee Road, Kolkata-700026, West Bengal. Our office and factory is located at Mumbai

We develop and manufacture high quality audio system and solution that capitalize on the emergence of new Co-Axial technology and line array based speaker systems for the cinema, Pro Audio, Studio and Home Audio Industries such as Co-Axial Surround Speaker, Hi Power and in wall Subwoofers, Hi Power Co-Axial Speakers etc. We have a manufacturing facilities base built over 40,000 sq ft. in the outskirts of Mumbai at Palghar, along with a large warehousing facility which is well stocked with off-the-shelf pulz products which enables ultra-fast turnaround times for projects that require equipment at a shorter notice.

We also service and maintain audio systems.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in this Red Herring Prospectus i.e. June 30, 2017, any significant developments or any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

### SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factor" beginning on page 20 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Technical advancement
- Fluctuation in operating costs.
- Trained manpower
- Company's results of operations and financial performance.

- Performance of Company's competitors.
- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.

## DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for years ended March 31, 2017, 2016, 2015, 2014 and 2013.

### Overview of Revenue & Expenditure

#### Revenues

Our Company's revenue is primarily generated from sale of audio system and solution manufactured by us:-

(Rs. In Lakhs)

Particulars	As at March 31				
	2017	2016	2015	2014	2013
Income					
Revenue from Operations	1,376.58	1298.42	1177.46	920.15	527.93
Increase/Decrease in %	6.02	10.27	27.96	74.29	4.60
Other Income	8.40	8.61	13.08	5.60	2.33
Increase/Decrease in %	(2.33)	(34.21)	133.67	140.64	(87.47)
<b>Total Revenue</b>	<b>1384.98</b>	<b>1307.03</b>	<b>1190.54</b>	<b>925.75</b>	<b>530.26</b>

The following is the Income mix in terms of value of total income of our Company for different services.

(Rs. In Lakhs)

Particulars	As at March 31				
	2017	2016	2015	2014	2013
<b>Revenue from Operation</b>					
Gross Sale of Manufactured Products	1,249.47	1029.43	1046.81	760.67	397.67
Less: Excise Duty	104.72	72.82	85.73	87.41	16.96
Net Sale of Manufactured Products	1,144.75	956.62	961.09	673.26	380.71
Sale of Traded Products	164.55	241.15	152.19	174.53	92.96
Sale of Services	66.79	95.57	62.08	70.77	52.55
Other Operating Revenue	0.49	5.08	2.10	1.60	1.71
<b>Total Revenue from Operation</b>	<b>1,376.58</b>	<b>1,298.42</b>	<b>1,177.46</b>	<b>920.15</b>	<b>527.93</b>

The following is the Income mix in terms of percentage of total income of our Company for different services.

Particulars	As at March 31				
	2017	2016	2015	2014	2013
Revenue from Operation					
Gross Sale of Manufactured Products	90.77%	79.28%	88.90%	82.67%	75.33%
Less: Excise Duty	7.61%	5.61%	7.28%	9.50%	3.21%
Net Sale of Manufactured Products	83.16%	73.68%	81.62%	73.17%	72.11%



Sale of Traded Products	11.95%	18.57%	12.93%	18.97%	17.61%
Sale of Services	4.85%	7.36%	5.27%	7.69%	9.95%
Other Operating Revenue	0.04%	0.39%	0.18%	0.17%	0.32%
<b>Total Revenue from Operation</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

### Other Income

Other income consists of Interest income.

(Rs. In Lakhs)

Particulars	As at March 31				
	2017	2016	2015	2014	2013
Dividend Income	0.03	0.03	0.03	0.03	0.03
Foreign Exchange Gain on Payment/Receipt	4.25	3.21	2.57	4.47	1.93
Freight Exchange Gain on Payment/Receipt	-	-	-	-	-
Sundry Amount Write off back	-	-	0.07	-	-
Profit on sale of Motor Car	-	0.50	-	-	-
Misc. Income	4.12	4.86	10.41	1.10	0.36
<b>Total Other Income</b>	<b>8.40</b>	<b>8.61</b>	<b>13.08</b>	<b>5.60</b>	<b>2.33</b>

The following is mix in terms of percentage of other income of our Company for other incomes:

Particulars	As at March 31				
	2017	2016	2015	2014	2013
Dividend Income	0.36%	0.35%	0.23%	0.54%	1.29%
Foreign Exchange Gain on Payment/Receipt	50.60%	37.33%	19.68%	79.77%	83.11%
Freight Exchange Gain on Payment/Receipt	0.00%	0.00%	0.00%	0.00%	0.00%
Sundry Amount Write off back	0.00%	0.00%	0.50%	0.00%	0.00%
Profit on sale of Motor Car	0.00%	5.82%	0.00%	0.00%	0.00%
Misc. Income	49.05%	56.50%	79.59%	19.70%	15.60%
<b>Total Other Income</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

### Trade Receivables

The following table presents the details of our Company's trade receivables:

Particulars	As at March 31				
	2017	2016	2015	2014	2013
Unsecured and Considered Good					
Outstanding for a period not exceeding six months	288.83	79.02	44.79	24.68	21.21
As a % of total Trade receivables	92.86%	78.19%	64.93%	70.67%	71.86%
Outstanding for a period exceeding six months	22.20	22.04	24.19	10.24	8.30
As a % of total Trade receivables	7.14%	21.81%	35.07%	29.33%	28.14%
Less: Provision for doubtful debts	0.00	0.00	0.00	0.00	0.00

As a % of total Trade receivables	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Total Trade receivables</b>	<b>311.03</b>	<b>101.06</b>	<b>68.98</b>	<b>34.92</b>	<b>29.51</b>
Avg. Trade receivables	206.05	85.02	51.95	32.21	29.82
Trade receivables Turnover Ratio	4.43	12.85	17.07	26.35	17.89
Average Collection Period (in days)	82.47	28.41	21.38	13.85	20.40

### Expenditure

Our Company's operating expenditure consists of following: -

- Cost of Materials Consumed and Change in Inventories, Employees benefit expenses, Finance Cost, Depreciation & Amortization Expenses and Other Expenses.

## RESULTS OF OPERATIONS

### Statement of profits and losses

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue.

(Rs. In Lakhs)

Particulars	For The Year Ended March 31,				
	2017	2016	2015	2014	2013
<b>INCOME</b>					
<b>Revenue from Operations</b>					
Revenue	1376.58	1298.42	1177.46	920.15	527.93
Increase/Decrease in %	6.02	10.27	27.96	74.29	4.60
Other Income	8.40	8.61	13.08	5.60	2.33
Increase/Decrease in %	(2.33)	-34.21	133.67	140.64	-87.47
<b>Total Revenue</b>	<b>1384.98</b>	<b>1307.03</b>	<b>1190.54</b>	<b>925.75</b>	<b>530.26</b>
<b>EXPENDITURE</b>					
Cost of Materials Consumed including change in Inventories	340.98	562.99	497.52	315.31	219.38
As a % of Total Revenue	24.62%	43.07%	41.79%	34.06%	41.37%
Manufacturing Expense	20.29	22.86	22.82	27.38	25.61
As a % of Total Revenue	1.47%	1.75%	1.92%	2.96%	4.83%
Purchase of Traded Goods	170.10	136.11	139.80	155.39	47.88
As a % of Total Revenue	12.28%	10.41%	11.74%	16.79%	9.03%
Employee Benefits Expense	280.30	257.93	235.70	174.95	106.22
As a % of Total Revenue	20.24%	19.73%	19.80%	18.90%	20.03%
Finance Cost	19.01	20.72	23.13	18.66	2.36
As a % of Total Revenue	1.37%	1.59%	1.94%	2.02%	0.45%
Depreciation and Amortization Expenses	18.62	20.15	19.36	16.74	8.13
As a % of Total Revenue	1.34%	1.54%	1.63%	1.81%	1.53%
Other Expenses	322.18	250.41	235.40	200.64	90.62
As a % of Total Revenue	23.26%	19.16%	19.77%	21.67%	17.09%
<b>Total Expenditure</b>	<b>1171.48</b>	<b>1271.17</b>	<b>1173.73</b>	<b>909.07</b>	<b>500.20</b>

As a % of Total Revenue	84.58	97.26	98.59	98.20	94.31
<b>Profit Before Exceptional &amp; Extraordinary items and tax</b>	<b>213.50</b>	<b>35.85</b>	<b>16.81</b>	<b>16.69</b>	<b>30.05</b>
As a % of Total Revenue	15.42%	2.74%	1.41%	1.80%	5.67%
Exceptional Items	0.00	0.00	0.00	0.00	0.00
As a % of Total Revenue	0.00	0.00	0.00	0.00	0.00
Extraordinary Items	0.00	0.00	0.00	0.00	0.00
As a % of Total Revenue	0.00	0.00	0.00	0.00	0.00
<b>Profit before tax</b>	<b>213.50</b>	<b>35.85</b>	<b>16.81</b>	<b>16.69</b>	<b>30.05</b>
<b>PBT Margin</b>	<b>15.42%</b>	<b>2.74%</b>	<b>1.41%</b>	<b>1.80%</b>	<b>5.67%</b>
<b>Tax expense:</b>					
(i) Current tax	76.85	8.40	6.40	5.95	9.90
(ii) Earlier year tax	0.77	0.00	0.00	0.00	0.00
(iii) Deferred Tax Liability/(Assets)	1.84	-2.64	9.50	0.28	-0.51
<b>Total</b>	<b>79.46</b>	<b>5.76</b>	<b>15.90</b>	<b>6.23</b>	<b>9.39</b>
As a % of Total Revenue	5.74%	0.44%	1.34%	0.67%	1.77%
<b>Profit for the year</b>	<b>134.04</b>	<b>30.09</b>	<b>0.91</b>	<b>10.46</b>	<b>20.66</b>
<b>PAT Margin</b>	<b>9.68%</b>	<b>2.30%</b>	<b>0.08%</b>	<b>1.13%</b>	<b>3.90%</b>
<b>Cash Profit</b>	<b>152.66</b>	<b>50.24</b>	<b>20.27</b>	<b>27.20</b>	<b>28.79</b>
<b>Cash Profit Margin</b>	<b>11.02%</b>	<b>3.84%</b>	<b>1.70%</b>	<b>2.94%</b>	<b>5.43%</b>

**FISCAL YEAR ENDED MARCH 31, 2017 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2016**

**Total Revenue**

Total revenue increased by Rs. 77.96 Lacs and 5.96% from Rs. 1307.03 lacs in the fiscal year ended March 31, 2016 to Rs. 1384.98 lacs in the fiscal year ended March 31, 2017. The revenue has increased due to increase in sale on manufactured products.

**Total Expenditure**

Total Expenditure decreased by Rs. 99.69 Lacs and 7.84%, from Rs. 1271.17 Lacs in the fiscal year ended March 31, 2016 to Rs. 1171.48 Lacs in the fiscal year ended March 31, 2017. Overall expenditure has decreased mainly due to decrease in our cost of material consumed and manufacturing expenses.

**Cost of Materials consumed including Change in Inventories**

The Cost of Materials consumed including Change in Inventories in terms of value and percentage decreased by Rs. 222.01 Lacs and 39.43%, from Rs. 562.99 Lacs in the fiscal year ended March 31, 2016 to Rs. 340.98 Lacs in the fiscal year ended March 31, 2017. The Cost of material consumed has decreased due to purchases of material & components at lower rate as compare to last FY.

**Manufacturing Expense**

Manufacturing Expense decreased by Rs. 2.57 Lacs and 11.24%, from Rs. 22.86 Lacs in the fiscal year ended March 31, 2016 to Rs. 20.29 Lacs in the fiscal year ended March 31, 2017. Manufacturing Expense has decreased due to decrease in labour charges, factory rent and freight & forwarding charges.

**Purchase of Traded Goods**

Purchase of Traded Goods increased by Rs. 33.99 Lacs and 24.97%, from Rs. 136.11 Lacs in the fiscal year ended March 31, 2016 to Rs. 170.10 Lacs in the fiscal year ended March 31, 2017. Increase in purchase of traded goods is mainly due to purchases of amplifier, where margins are better.

#### **Employee Benefit Expenses**

Employee Benefit Expenses in terms of value and percentage increased by Rs. 22.37 Lacs and 8.67% from Rs. 257.93 Lacs in the fiscal year ended March 31, 2016 to Rs. 280.30 Lacs in the fiscal year ended March 31, 2017. Overall employee cost has increased due to increase in no. of employees and general increment in salary.

#### **Finance Costs**

Finance Costs in terms of value and percentage decreased by Rs. 1.71 Lacs and 8.25% from Rs. 20.72 Lacs in the fiscal year ended March 31, 2016 to Rs. 19.01 Lacs in the fiscal year ended March 31, 2017. Finance Costs has decreased due to decrease in interest out go on overdraft.

#### **Depreciation & Amortization Expenses**

Depreciation in terms of value decreased by Rs.1.53 Lacs and 7.59% from Rs 20.15 Lacs in the fiscal year ended March 31, 2016 to Rs. 18.62 Lacs in the fiscal year ended March 31, 2017. Decrease in depreciation is normal.

#### **Other Expenses**

Other Expenses in terms of value and percentage increased by Rs. 71.77 Lacs and 28.66% from Rs. 250.41 Lacs in the fiscal year ended March 31, 2016 to Rs. 322.18 Lacs in the fiscal year ended March 31, 2017. Other Expenses has increased mainly due to increase in office expenses, professional charges, rates & taxes, commission paid, transport charges and misc. expenses.

#### **Profit before exceptional & extraordinary items and Tax**

Profit before exceptional & extraordinary items and Tax has increased by Rs. 177.65 Lacs and 495.54% from Rs. 35.85 Lacs in the fiscal year ended March 31, 2016 to Rs. 213.50 Lacs in the fiscal year ended March 31, 2017. Profit before exceptional & extraordinary items and Tax has increased due to increase in overall revenue & decrease in overall expenditure due to better realization & lower material cost.

#### **Net Profit after Tax and Extraordinary items**

Net Profit has increased by Rs. 103.95 Lacs and 345.46% from profit of Rs. 30.09 Lacs in the fiscal year ended March 31, 2016 to profit of Rs. 134.04 Lacs in the fiscal year ended March 31, 2017. Net profit has increased due to increase in overall revenue & decrease in overall expenditure.

### **FISCAL YEAR ENDED MARCH 31, 2016 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2015**

#### **Total Revenue**

Total revenue increased by Rs. 116.49 Lacs and 9.78% from Rs. 1190.54 lacs in the fiscal year ended March 31, 2015 to Rs. 1307.03 lacs in the fiscal year ended March 31, 2016. The revenue has increased due to increase in sale on traded goods and services.

#### **Total Expenditure**

Total Expenditure increased by Rs. 97.43 Lacs and 8.30%, from Rs. 1173.74Lacs in the fiscal year ended March 31, 2015 to Rs. 1271.17Lacs in the fiscal year ended March 31, 2016. Overall expenditure has increased mainly due to increase in our cost of material consumed, employee benefit & other expenses.

#### **Cost of Materials consumed including Change in Inventories**

The Cost of Materials consumed including Change in Inventories in terms of value and percentage increased by Rs. 12.73 Lacs and 2.45%, from Rs. 520.25 Lacs in the fiscal year ended March 31, 2015 to Rs. 532.98 Lacs in the fiscal year ended March 31, 2016. The Cost of material consumed has increased due to the increase in costs.

#### **Manufacturing Expense**

Manufacturing Expense increased by Rs. 0.03 Lacs and 0.14%, from Rs. 22.82 Lacs in the fiscal year ended March 31, 2015 to Rs. 22.86 Lacs in the fiscal year ended March 31, 2016. Manufacturing Expense has increased mainly due to increase in purchase expenses, power & fuel expenses, Custom Duty on Imported Material expenses, and machinery repair & maintenance expenses.

#### **Purchase of Traded Goods**

Purchase of Traded Goods increased by Rs. 49.05 Lacs and 41.89%, from Rs. 117.08 Lacs in the fiscal year ended March 31, 2015 to Rs. 166.12 Lacs in the fiscal year ended March 31, 2016. Increase in purchase of traded goods is mainly due to higher purchases as margins were attractive.

#### **Employee Benefit Expenses**

Employee Benefit Expenses in terms of value and percentage increased by Rs. 22.23 Lacs and 9.43% from Rs. 235.70 Lacs in the fiscal year ended March 31, 2015 to Rs. 257.93 Lacs in the fiscal year ended March 31, 2016. Overall employee cost has increased due to increase in no. of employees and general increment in salary.

#### **Finance Costs**

Finance Costs in terms of value and percentage decreased by Rs. 2.41 Lacs and 10.41% from Rs. 22.13 Lacs in the fiscal year ended March 31, 2015 to Rs. 20.72 Lacs in the fiscal year ended March 31, 2016. Finance Costs has decreased due to decrease in interest out go on overdraft.

#### **Depreciation & Amortization Expenses**

Depreciation in terms of value increased by Rs. 0.79 Lacs and 4.08% from Rs. 19.36 Lacs in the fiscal year ended March 31, 2015 to Rs. 20.15 Lacs in the fiscal year ended March 31, 2016. Increase in depreciation is due to addition of motor car and other assets.

#### **Other Expenses**

Other Expenses in terms of value and percentage increased by Rs. 15.01 Lacs and 6.38% from Rs. 19.77 Lacs in the fiscal year ended March 31, 2015 to Rs. 19.16 Lacs in the fiscal year ended March 31, 2016. Other Expenses has increased mainly due to increase in professional charges, remuneration to directors & security charges.

#### **Profit before exceptional & extraordinary items and Tax**

Profit before exceptional & extraordinary items and Tax has increased by Rs. 19.06 Lacs and 113.43% from Rs. 16.80 Lacs in the fiscal year ended March 31, 2015 to Rs. 35.86 Lacs in the fiscal year ended March 31, 2016. Profit before exceptional & extraordinary items and Tax has increased due to increase in overall revenue & decrease in overall expenditure.

#### **Net Profit after Tax and Extraordinary items**

Net Profit has increased by Rs. 29.20 Lacs and 3244.48% from profit of Rs. 0.90 Lacs in the fiscal year ended March 31, 2015 to profit of Rs. 30.10 Lacs in the fiscal year ended March 31, 2016. Net profit has increased due to lower income tax and deferred tax provision.

## FISCAL YEAR ENDED MARCH 31, 2015 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2014

### **Total Revenue**

Total revenue increased by Rs. 264.79 Lacs and 28.60%, from Rs. 925.75 Lacs in the fiscal year ended March 31, 2014 to Rs. 1190.54 Lacs in the fiscal year ended March 31, 2015. The revenue has increased due to increase in sale of manufacturing goods.

### **Total Expenditure**

Total Expenditure increased by Rs. 264.67 Lacs, and 29.11%, from Rs. 909.07Lacs in the fiscal year ended March 31, 2014 to Rs. 1173.74 Lacs in the fiscal year ended March 31, 2015. Overall expenditure has increased mainly due to increase in overall expenditure commensurate to increase in revenue.

### **Cost of Material Consumed Including Change in Inventories**

The Cost of material consumed in terms of value and percentage increased by Rs. 181.61 Lacs and 53.63%, from Rs. 338.64 Lacs in the fiscal year ended March 31, 2014 to Rs. 520.25Lacs in the fiscal year ended March 31, 2015. Overall cost of material consumed has increased mainly due to increase in volume & prices.

### **Manufacturing Expense**

Manufacturing Expense decreased by Rs. 4.56 Lacs and 16.65%, from Rs. 27.38Lacs in the fiscal year ended March 31, 2014 to Rs. 22.82Lacs in the fiscal year ended March 31, 2015. Manufacturing Expense has decreased mainly due to decrease in factory rent.

### **Purchase of Traded Goods**

Purchase of Traded Goods decreased by Rs. 14.98 Lacs and 11.35%, from Rs. 132.06 Lacs in the fiscal year ended March 31, 2014 to Rs. 117.08 Lacs in the fiscal year ended March 31, 2015. Decrease in purchase of traded goods is due to lower orders for our traded products.

### **Employee Benefit Expenses**

Employee benefit expenses in terms of value and percentage increased by Rs. 60.75 Lacs and 34.73% from Rs. 174.95 Lacs in the fiscal year ended March 31, 2014 to Rs. 235.70 Lacs in the fiscal year ended March 31, 2015. Overall employee cost has increased mainly due to increase in no. of employees, general increase in worker's salary and Directors remuneration.

### **Finance Costs**

Finance Costs in terms of value and percentage increased by Rs. 4.47 Lacs and 23.95% from Rs. 18.66 Lacs in the fiscal year ended March 31, 2014 to Rs. 23.13 Lacs in the fiscal year ended March 31, 2015. Finance Costs has increased mainly due to increase in interest on bank overdraft.

### **Depreciation & Amortization**

Depreciation in terms of value increased by 2.62 Lacs and 15.66% from Rs16.74 Lacs in the fiscal year ended March 31, 2014 to Rs. 19.36 Lacs in the fiscal year ended March 31, 2015. Increase in depreciation was due to additions to plant & other machinery & other assets and change in depreciation rate as per Schedule II of Companies Act 2013.

### **Other Expenses**

Other Expenses in terms of value and percentage increased by Rs. 34.76 Lacs and 17.33% from Rs. 200.64 Lacs in the fiscal year ended March 31, 2014 to Rs. 235.40 Lacs in the fiscal year ended March 31, 2015. Other Expenses has increased mainly due increase in donation, commission paid, transport & traveling expenses.

### **Profit before exceptional & extraordinary items and Tax**

Profit before exceptional & extraordinary items and Tax has increased by Rs. 0.12 Lacs and 0.72% from Rs. 16.68 Lacs in the fiscal year ended March 31, 2014 to Rs. 16.80 Lacs in the fiscal year ended March 31, 2015. Profit before exceptional & extraordinary items and Tax has increased due to efficient realization of resources.

### **Net Profit after Tax and Extraordinary items**

Net Profit has decreased by Rs. 9.55 Lacs and 91.39% from Rs. 10.45 Lacs in the fiscal year ended March 31, 2014 to Rs. 0.90 Lacs in the fiscal year ended March 31, 2015. Net profit has decreased due to increase in deferred tax liability.

## **OTHER MATTERS**

### **1. Unusual or infrequent events or transactions**

Except as described in this Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations**

Other than as described in the section titled “*Risk Factors*” beginning on page 20 of this Red Herring Prospectus respectively, to our knowledge there are no known significant economic changes that materially affected or are likely to affect income from continuing operations.

### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the section titled “*Risk Factors*” beginning on page 20 of this Red Herring Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### **4. Future relationship between Costs and Income**

Our Company’s future costs and revenues will be determined by demand of our products, technological advancement, government policies and trained manpower.

### **5. The extent to which material increases in net revenue are due to increase in sale of our products.**

Increases in revenues are by and large linked to increases in volume of business activities carried out by the Company.

### **6. Total turnover of each major industry segment in which the issuer company operates.**

The Company is operating in Professional Audio speaker industry, relevant industry data, as available, has been included in the chapter titled “*Our Industry*” beginning on page 98 of this Red Herring Prospectus.

### **7. Status of any publicly announced new products or business segments**

Our Company has not announced any new products and segment / scheme, other than through this Red Herring Prospectus.

### **8. The extent to which the business is seasonal**

Our Company business is not seasonal in nature.

### **9. Any significant dependence on a single or few suppliers or customers.**

Our business is not significantly dependent on any suppliers or customers.

## **10. Competitive Conditions**

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “Our Business” on page 104 of this Red Herring Prospectus.



## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by the Company, its Directors, its Promoters and its Group Companies and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by the Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding Rs. 1 lakh, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under Schedule V to the Companies Act, 2013) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against the Company, its Promoters, its Directors and Group Companies.*

*Further, except as stated herein, there are no past cases in which penalties have been imposed on the Company, its Promoters, its Directors or its Group Companies, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of the Company. Further, there are no cases of litigation, defaults etc. in respect of companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.*

*Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or its Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.*

#### I. LITIGATION RELATING TO THE COMPANY

##### Case Filed Against Our Company

Nil

##### Cases Filed By the Company

Nil

##### Case Pending with Tax Authorities:

##### Notice received from Office of the Superintendent of Central Excise, Palghar

Our Company has received a notice dated March 14, 2017 from the Office of the Superintendent of Central Excise, Range I, Palghar (hereinafter referred as 'Department') for Wrong availment of Cenvat Credit of Rs. 0.39 lakhs on various goods. The Department demanded to reverse the said wrongly availed Cenvat Credit along with interest and submit the debit particulars within 7 days from receipt of the Notice.

Our Company has replied to the notice of the Department vide a letter dated March 22, 2017, stating objections raised by the Department is not maintainable and Company has taken credit of Cenvat correctly as invoices raised were in respect of duty paid goods which was cleared on payment of Duty as free replacement during warranty period and taking credit on the basis of our own duty paid invoice is permissible under Central Excise Rules, 2002. The matter is still pending with the Department.

**Detail of Cases pending in Income Tax Department:**

A.Y.	Section	Outstanding Demand Amount (Rs. in Lakhs)	Pending with Jurisdiction
2007-08	143(1)	2.43	Assessing Officer
2009-10	154	1.55	Assessing Officer

**Details of outstanding demand in respect of TDS:**

A total demand of Rs. 0.80 lakhs payable by Our Company is outstanding in respect of TDS as on October 09, 2017 for various assessment years.

**II. LITIGATIONS RELATING TO THE PROMOTERS OF OUR COMPANY**

**Cases filed by Our Promoters**

Nil

**Cases filed against our Promoters**

Nil

**Case Pending with Tax Authorities against Our Promoters**

**Detail of Cases pending in Income Tax Department:**

- **Mr. Anirvan Partha Ghose**

A.Y.	Section	Outstanding Demand Amount (Rs. in Lakhs)	Pending with Jurisdiction
2006-07	220(2)	0.01	CPC
2007-08	143(1)	0.07	Assessing Officer
2016-17	143(1)	3.98	CPC

- **Mr. Ramakrishnan Krishnaraju Manden Kattil**

A.Y.	Section	Outstanding Demand Amount (Rs. in Lakhs)	Pending with Jurisdiction
2007-08	143(1)	6.08	Assessing Officer

2008-09	143(1)	6.16	Assessing Officer
2010-11	143(1)(a)	1.69	Assessing Officer

### III. LITIGATIONS RELATING TO THE DIRECTORS OTHER THAN PROMOTERS OF THE COMPANY

#### Cases filed against the Directors

Nil

#### Cases filed by the Directors

Nil

#### Case Pending with Tax Authorities Against Our Directors other than Promoters

Nil

### IV. LITIGATIONS RELATING TO THE GROUP COMPANIES

#### Cases Filed Against the Group Companies

Nil

#### Cases Filed By the Group Companies

##### 1. Before the Hon'ble District Consumer Disputes Redressal forum

R & S (India) Electronics Pvt Ltd. Filed a complaint against DHL Express (India) Pvt. Ltd for an aggregate claim of sum of Rs. 8.79 lakhs (Plus interest @12% thereon), arising out of deficiency in their services. DHL Express (India) Pvt. Ltd. in its written argument stated that the complainant falls outside the purview of Consumer protection Act, 1986 as it is a private limited company and the services was to make profit which is for a commercial purpose and the same is not maintainable. However, the complainant had submitted that the defense taken by the opposite party is absolutely baseless and devoid of any substance and don't deserve any merits. The matter is still pending with the District consumer disputes redressal forum.

#### Case Pending with Tax Authorities:

#### Details of Cases pending in Income Tax Department:

##### 1. Order in appeal no. MUM-SVTAX-002-APP-671-16-17

- R & S (India) Electronic Pvt Ltd. (Applicant) filed an appeal on 20.02.2013 against the order received on 20.12.2012 from Additional Commissioner, Service Tax –II for demand of service tax of Rs. 7.08 lakhs with interest and imposed penalty. On 30.12.2016 Commissioner (Appeals) passed an order confirming demand of service tax with interest and penalty and on the basis that the applicant's appeal was not maintainable since it was barred by limitation i.e. within two months from receipt of Order and therefore appeal should

have been filed on or before 19.02.2013. Applicant submits that the limitation period has been incorrectly computed and that the last date of filing was 20.02.2013 since the date of receipt of order is to be excluded while computation of limitation period and hence did not file condonation of delay. The appeal proceedings are still pending.

**2. Appeal No. 116/2014 CST**

- In this case, R&S Electronics Private Limited had Imported certain cinematographic equipment's from Ballantyne, Omaha, USA for further sales in India. Assistant Commissioner contended that the further sales made by R&S Electronics Private Limited is a High Sea Sales and not exempted from Central Sales Tax and demanded tax of Rs. 0.41 lakhs on the Sales of Rs. 3.26 lakhs

R&S Electronics Private Limited has appealed the said order, disputing the Turnover of Rs. 3.26 lakhs and Tax due on the Disputed sales of Rs. 0.41 lakhs stated that the further sales made by Company is "sales in the course of import to India" and Company has claimed exemption from Central Sales Tax on Sale in the course of Import into India and not on ground that the transaction is a high sea sales.

Appellate Deputy Commissioner passed an order dated April 06, 2015 and directed R&S Electronics Private Limited to produce supporting documents of their contention before assessing officer and assessing officer was directed to pass fresh orders after verification of supporting documents. The matter is still pending with assessing officer.

**3. Appeal to the Commissioner of Income-Tax (Appeals)**

The Assessing Officer, during the assessment of the A.Y. 2009-10 treated donation made by R&S Electronics Private Limited as unexplained expenditure under section 69C of the IT Act and penalty of Rs. 1.59 lakhs was imposed under section 271(1)(c) of the IT Act. The Assessing Officer has specifically asked for the details pertaining to the said donation and R&S Electronics Private Limited has furnished all the relevant details through letter dated December 07, 2011. R&S Electronics Private Limited has filed an appeal to the Commissioner of Income Tax (Appeals), Mumbai on July 27, 2017 for dropping off the penalty as all the relevant details were provided to the Assessing Officer. The appeal is still pending before the Commissioner of Income Tax (Appeals), Mumbai.

**Income Tax Demand Outstanding**

• **R and S (India) Electronics Private Limited**

A.Y.	Section	Outstanding Demand Amount (Rs. in Lakhs)	Pending with Jurisdiction
2008-09	143(1)	0.36	Assessing Officer
2010-11	143(3)	0.62	Assessing Officer
2013-14	143(1)(a)	1.80	CPC

**Details of outstanding demand in respect of TDS:**

A total demand of Rs. 1.88 lakhs is outstanding in respect of TDS as on October 09, 2017 for various assessment years.

- **Linear Electronics Private Limited**

**Details of outstanding demand in respect of TDS:**

A total demand of Rs. 0.02 lakhs is outstanding in respect of TDS as on October 09, 2017 for various assessment years.

- **Fiesta Entertainment Private Limited**

**Details of outstanding demand in respect of TDS:**

A total demand of Rs. 3.70 lakhs is outstanding in respect of TDS as on October 09, 2017 for various assessment years.

- **Elecom Fiesta Entertainment Private Limited**

A.Y.	Section	Outstanding Demand Amount (Rs. in Lakhs)	Pending with Jurisdiction
2012-13	143(1)(a)	0.20	CPC

**Details of outstanding demand in respect of TDS:**

A total demand of Rs. 0.72 lakhs is outstanding in respect of TDS as on October 09, 2017 for various assessment years.

- **R and S Electronics (Partnership Firm)**

A.Y.	Section	Outstanding Demand Amount (Rs. in Lakhs)	Pending with Jurisdiction
2013-14	143(1)(a)	2.13	CPC
2014-15	143(1)(a)	3.08	CPC

**Details of outstanding demand in respect of TDS:**

A total demand of Rs. 0.01 lakhs is outstanding in respect of TDS as on October 09, 2017 for various assessment years.

- **Ramakrishnan M.K HUF**

A.Y.	Section	Outstanding Demand Amount (Rs. in Lakhs)	Pending with Jurisdiction
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2008-09	143(1)	1.10	Assessing Officer
2011-12	154	0.07	Assessing Officer

**Details of outstanding demand in respect of TDS:**

NIL

**V. PAST CASES IN WHICH PENALTIES HAVE BEEN IMPOSED ON THE COMPANY**

There are no cases in the last five years in which penalties have been imposed on the Company.

**VI. CREDITORS OF THE COMPANY FOR THE AMOUNT EXCEEDING RS.1 LAKHS OUTSTANDING FOR MORE THAN 30 DAYS.**

The Company has total 19 creditors as on June30, 2017 for the total amount of Rs. 54.24 Lakhs which is outstanding for more than 30 days.

**MATERIAL DEVELOPMENTS**

Except as stated in the chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page 238 of this Red Herring Prospectus, no material developments have taken place after March 31, 2016, the date of the latest balance sheet, that would materially adversely affect the performance of Red Herring Prospectus of the Company. In accordance with SEBI requirements, our Company and the Book Running Lead Manager shall ensure that investors are informed of material developments until such time as the grant of listing and trading permission by the NSE EMERGE Platform.

We certify that except as stated herein above:

- a. There are no pending proceedings for offences for non-payment of statutory dues by the promoters of the Company.
- b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
- e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f. There are no litigations against the Promoters / Directors in their personal capacity.
- g. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
- h. Following are the creditors as on June30, 2017 to whom Company owes sum exceeding Rs. 1,00,000 and are outstanding for more than 30 days as certified by the management of Our Company.

Sr. No.	List of Creditors	Amount (in Rs Lakhs).
1.	Jose Sankoorikal	7.20
2.	Scrabble Entertainment Ltd.	6.91

3.	Qube Cinema Technologies Pvt. Ltd.	6.39
4.	Valwood Marketing L.L.P.	5.64
5.	Floray AV and Acoustics.	5.05
6.	Tushar Bajpai	4.01
7.	Acustica Beyma S.L.	2.84
8.	Novateur Electrical & Digital Systems Pvt. Ltd.	2.13
9.	Creative Polymers Pvt. Ltd.	1.88
10.	Amit Misra	1.73
11.	E-City Digital Cinemas Pvt. Ltd.	1.48
12.	Hariom Logistics Pvt. Ltd.	1.20
13.	Salzer Electronics Ltd	1.19
14.	Mr. Shail Upadhyay	1.18
15.	Allcargo Logistics Ltd.	1.13
16.	Dhruma J. Mehta	1.12
17.	Shreyash Electronics & Enterprises	1.07
18.	Precise Cine Engineering	1.06
19.	Fitwell Packaging Industries	1.03
	<b>Total</b>	<b>54.24</b>

## GOVERNMENT AND OTHER STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business and except as mentioned below, and no further approvals are required for carrying on our present business or to undertake the Issue. Unless otherwise stated, these approvals are all valid as on the date of this Red Herring Prospectus.

### I. APPROVALS FOR THE ISSUE

#### Corporate Approvals

1. Our Board has, pursuant to a resolution passed at its meeting held on March 22, 2017 authorized the Issue.
2. Our shareholders have pursuant to a resolution passed at their meeting dated March 23, 2017 under Section 62(1)(c) of the Companies Act 2013, authorized the Issue.

#### Approvals from Lenders

1. Our Company has obtained approval from Yes Bank Limited dated October 23, 2017 in relation to our IPO.

### II. INCORPORATION DETAILS

1. Corporate Identity Number: U32109WB2005PLC104357
2. Certificate of Incorporation dated July 25, 2005 issued by the Registrar of Companies, West Bengal, (RoC) in the name of “Pulz Electronics Private Limited”.
3. Fresh Certificate of Incorporation dated March 22, 2017, issued by the RoC upon the conversion of our Company into a Public Limited Company.

### III. APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

#### A. Under Direct and Indirect Laws

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration in Income Tax Department	Income Tax Department, Govt. of India	PAN: AADCP6370Q	Perpetual	-
2.	Allotment of Tax Deduction Account Number (TAN)	Income Tax Department, Govt. of India	TAN No: CALP06513D	Perpetual	-
3.	Registration under West Bengal Value Added Tax Rules, 2005	Commercial Tax Department, W.B	Registration No.: 19416376026	Perpetual	-
4.	Registration under Maharashtra Value Added Tax Act, 2002	Sales Tax Officer, Mumbai	TIN No. 27640508943V	Perpetual	-



Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
5.	Registration under Central Sales Tax(Registration and Turnover) Rules,1957	Commercial Tax Department, W.B	Registration No.: 19416376026	Perpetual	-
6.	Registration under Central Sales Tax(Registration & Turnover)Rules, 1957	Sales Tax Officer	TIN No. 27640508943C	Perpetual	For Speaker, Amplifiers, Electronics Goods
7.	Service Tax Registration	Superintendent, Service Tax	ST Code: AADCP6370QSD002	Perpetual	For premises situated at Mumbai
8.	Service Tax Registration	Superintendent, Service Tax	ST Code: AADCP6370QSD003	Perpetual	For premises situated at Thane
9.	Registration Under Central Excise Rules, 2002	Deputy Commissioner, Central Excise	Registration No.: AADCP6370QEM003	Perpetual	For premises situated at Thane
10.	Certificate of Importer-Exporter Code	Foreign Trade Development Officer	IEC No.: 0206006683	Perpetual	-
11.	Maharashtra State Tax on Profession, Trades, Callings and Employment Act, 1975	Profession Tax Officer	P.T.EC. 99901529992P	Perpetual	-
12.	Maharashtra State Tax on Profession, Trades, Callings and Employment Act, 1975	Profession Tax Officer	P.T.R.C No. 27640508943P	Perpetual	-
13.	GST Provisional Registration	Government of Maharashtra	27AADCP6370QIZQ	Provisional	-

### B. Under Industrial And Labour Law

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration under Maharashtra Factories Act, 1948	Directorate under Industrial Health and Safety	Registration No.: 26405/P-0340/P-11/95	Valid till December 31, 2017	-
2.	Registration under Employees State Insurance Corporation (ESIC) in the State of Maharashtra	Regional Director	ESIC Code No; 35350045330010067	Perpetual	-
3.	Registration under Employees Provident Funds and Miscellaneous Provisions Act, 1952	Regional Provident Fund Commissioner Maharashtra and Goa	EPF Code: KDMAL0094967000	Perpetual	-
4.	Entrepreneurs' Memorandum for Manufacturing	General Manager, District Industries Centre, Thane.	Entrepreneurs Memorandum No.: 27-021-12-06362-Part II	Perpetual	Electronics Equipments- Amplifiers, Speakers, Digital & Logic Circuits.
5.	Ministry of Micro, Small and Medium Enterprises	Ministry of Micro, Small and Medium Enterprises	UAN:MH18B0014285	Perpetual	-

### C. Miscellaneous Approval/ Licenses/Registration


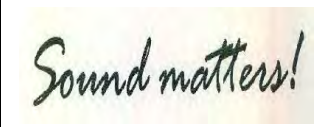
Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if
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					any
1.	Registration under Maharashtra Shops and Establishments Act, 1948	Inspector Under the Maharashtra Shops and Establishments Act, 1948	Registration No.: 760357353	Valid till December 31, 2017.	-
2.	Certificate of Enlistment under Kolkata Municipal Corporation (KMC) Act, 1980	Operator under KMC Act, 1980	Certificate of Enlistment No. 000164028042	Perpetual	-

### INTELLECTUAL PROPERTY

In order to protect our intellectual property rights, we have applied for the registration of below mentioned trademark with the trademark Registry:-

Sr. No.	Logo	Date of Application/Approval	Application No./Trademark No.	Class	Current Status
1		September 15, 2006	1487506	9	Registered
2		September 15, 2006	1487507	16	Registered
3		September 15, 2006	1487508	41	Registered
4		September 15, 2006	1487509	41	Registered
5	<b>PULZ</b>	July 28, 2010	1999997	9	Registered
6	<b>TIME WINDOW</b>	August 16, 2010	2009176	9	Registered
7	<b>ISOTOP</b>	December 07, 2009	1892499	9	Registered
8		November 04, 2016	3401972	9	Objected

9		November 04, 2016	3401973	37	Registered
10		November 04, 2016	3401974	42	Objected



We have applied for registration of our logo under the Copyright At, 1957 and the Application is under process. The Details of the application is as under:

Sr. no.	Name of the Applicant	Nature of Applicant's Interest	Class & Description of the Work	Title of Work	Registration No. and Date of Registration	Diary No.	Whether the work is published or unpublished	Date of Application
1.	M/s Pulz Electronics Private Limited.	Author	Literary	Pulz Cinema Speaker System	L-37297/2011 08/02/2011	2888/2010 -CO/L	Unpublished	14/12/2009

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on March 22, 2017 and by the shareholders of our Company by a special resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013, passed at the Extra Ordinary General Meeting of our Company held on March 23, 2017 at registered office of the Company.

### PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors and our Promoter Group, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

The Companies with which our Promoters, our Directors or persons in control of our Company are/ were associated as promoter, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

### PROHIBITION BY RBI

Neither our Company, nor our Promoters, or the relatives (as defined under the Companies Act) of our Promoters or Group Company have been identified as willful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

### ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in terms of Regulation 106M(1) of chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed Rs. 1,000 Lakhs, may issue shares to the public in accordance with the provisions of Chapter XB the SEBI (ICDR) Regulations, 2009. Our Company also complies with the eligibility conditions laid by the National Stock Exchange of India Limited (NSE) for listing of our Equity Shares.

#### **We confirm that:**

1. In accordance with regulation 106(P) of the SEBI ICDR Regulations, this Issue will be 100% underwritten and that the BRLM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 53 of this Red Herring Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire bid money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such bid money, with interest as prescribed u/s 40 of the Companies Act, 2013.
3. In accordance with Regulation 106(O) of the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits the copy of Red Herring Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the Book Running Lead Manager will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares

offered in the Issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 53 of this Red Herring Prospectus.

5. The Company has Net Tangible assets of at least Rs. 1 crore as per the latest audited financial results.
6. The Company has a positive cash accrual (earnings before depreciation and tax) from operations for two financial years preceding the application and its net-worth is positive.
7. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 1 crore as per the latest audited financial results. Net worth of the Company as on March 31, 2017 as per Standalone Financials Statement and Consolidated Financial Statement is Rs. 382.91 Crores each.
8. The Post-issue paid up capital of the Company shall be at least Rs. 1 Crore. The paid up capital shall be Rs. 2.73 Crores after the issue.
9. The Company shall mandatorily facilitate trading in demat securities and has entered in to an agreement with both the depositories.
10. The Company has not been referred to Board for Industrial and Financial Reconstruction.
11. No petition for winding up is admitted by a court of competent jurisdiction or a liquidator has been appointed against the Company.
12. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
13. The Company, its promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting companies have no debenture/bond/ fixed deposit holders or loan taken from FIs and as such default in respect of payment of interest and/or principal to them does not arise. There is no default in respect of payment of interest and/or principal to the banks by the Company, its promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting companies during the past three years.
14. The Company has a website: [www.pulz.biz](http://www.pulz.biz)

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED OCTOBER 30, 2017 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

“WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE RED HERRING PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
  - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956/COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE SHALL SATISFY OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD /

TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE RED HERRING PROSPECTUS.

6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE RED HERRING PROSPECTUS.
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S 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 PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN PUBLIC ISSUE 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 RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.– NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER/ISSUE HAVE TO BE ISSUED IN DEMATERIALIZED FORM ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE RED HERRING PROSPECTUS:



- A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
- B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE - A”
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.”

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- 1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- 2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE 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 HAS BEEN ENTERED INTO WITH THE CENTRAL DEPOSITORY SERVICES LIMITED AND NATIONAL SECURITIES DEPOSITORY LIMITED FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER– NOTED FOR COMPLIANCE.

- 5) **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE RED HERRING PROSPECTUS- NOT APPLICABLE.**
- 6) **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE - NOTED FOR COMPLIANCE.”**

**Note:**

The filing of this Red Herring Prospectus does not, however, absolve our Company from any liabilities under section 34, section 35, section 36 and section 38(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in the Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Kolkata, West Bengal, in terms of sections 26, 32 and 33 of the Companies Act, 2013.

**DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.pulz.bizwould](http://www.pulz.bizwould) be doing so at his or her own risk.

**Caution**

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Book Running Lead Manager and our Company dated March 24, 2017, the Underwriting Agreement dated March 24, 2017 entered into among the Underwriter and our Company and the Market Making Agreement dated March 24, 2017 entered into among the Market Maker, Book Running Lead Manager and our Company.

Our Company and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, *etc.*

**Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.**

**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER**

For details regarding the price information and the track record of the past Issues handled by the Book Running Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by

the SEBI, please refer to ‘**Annexure A**’ to this Red Herring Prospectus and the website of the Book Running Lead Manager at [www.sarthiwm.in](http://www.sarthiwm.in)

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FIIs, Eligible NRIs, QFIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in West Bengal only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE NSE**

National Stock Exchange of India Limited (NSE) has given its in-principle approval vide letter dated April 26, 2017, to use its name in the offer documents in respect of the proposed issue of equity shares. The Disclaimer clause as intimated by NSE exchange is as given below:

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/4196 dated April 26, 2017 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the

correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

## FILING

This Red Herring Prospectus shall not be filed with SEBI, nor SEBI will issue any observation on the Offer Document in term of Regulation 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at the SEBI East Zone Regional Office, L&T Chambers, 3<sup>rd</sup> Floor, 16 Camac Street, Kolkata 700017, West Bengal, India. A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at Nizam Palace, 2<sup>nd</sup> MSO Building, 2<sup>nd</sup> Floor, 234/4, A.J.C.B. Road, Kolkata – 700020, West Bengal, India.

## LISTING

An application will be made to the NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The National Stock Exchange of India Limited has given its in-principal approval for using its name in our Red Herring Prospectus vide its letter dated April 26, 2017.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE EMERGE Platform mentioned above are taken within Six Working Days from the Issue Closing Date.

## CONSENTS

Consents in writing of: (a) the Directors, the Promoter, the Company Secretary and Compliance Officer, Chief Financial Officer, the Auditors, Peer Review Auditor, Secretarial Auditor, the Banker to the Company,; and (b) Book Running Lead Manager, Underwriters, Market Makers, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 32 and Section 26 of Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Red Herring Prospectus and such consent and report is not withdrawn up to the time of delivery of this Red Herring Prospectus with NSE.

## EXPERT OPINION TO THE ISSUE

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

1. Report of the Statutory Auditor on Statement of Tax Benefits.

## EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, see the chapter “Objects of the Issue” beginning on page 89 of this Red Herring Prospectus.

## DETAILS OF FEES PAYABLE

### Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter dated November 09, 2016, issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

### Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue March 24, 2017, a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

### Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Book Running Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

## PREVIOUS RIGHTS AND PUBLIC ISSUES DURING THE LAST FIVE YEARS

We have not made any previous rights and/or public issue during last five years, and are an “Unlisted Issuer” in terms of the SEBI ICDR Regulations and this is an “Initial Public Offering” in terms of the SEBI ICDR Regulations.

## PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 64 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

## PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956/ SECTION 186 OF COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:

None of the equity shares of our Group Entities are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years

#### PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an “Unlisted Issuer” in terms of SEBI ICDR Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations. Therefore, data regarding promise versus performance is not applicable to us.

#### OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

#### STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of SEBI ICDR Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI ICDR Regulations. Thus, there is no stock market data is available for the Equity Shares of our Company

#### MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the bidder, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the bidder, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection center of the SCSB where the Bid cum Application Form was submitted by the ASBA bidders.

#### DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationships Committee of the Board *vide* resolution passed at the Board Meeting held on March 25, 2017. For further details, please refer to the chapter titled “*Our Management*” beginning on page 130 of this Red Herring Prospectus.

Our Company has appointed Ms. Hetali Harish Mehta as the Company Secretary and Compliance Officer and she may be contacted at the following address:

**PULZ ELECTRONICS LIMITED**

Kailashpati, 2nd Floor, Plot No. 10A,

Veera Desai Road, Andheri (West),

Mumbai-400053, Maharashtra, India

**Tel:** +91 22 26732593

**Fax:** +91 22 26732594

**Email:** [hetali@pulz.co.in](mailto:hetali@pulz.co.in)



**Website:** [www.pulz.biz](http://www.pulz.biz)

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

#### **CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS**

There have been no changes in the statutory auditors of our Company in the last three financial years except that KNP & Associates were appointed as Auditors of our Company in place of Gaurang & Associates w.e.f. September 29, 2016

#### **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 64 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

#### **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

#### **PURCHASE OF PROPERTY**

Other than as disclosed in this Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made thereunder.

#### **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## SECTION VII – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued are subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles, the terms of the Red Herring Prospectus, the abridged prospectus, bid cum Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE EMERGE Platform, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process.*

### RANKING OF EQUITY SHARES

The Equity Shares being offered shall be subject to the provisions of the Companies Act, 2013, our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details please refer to the section titled, 'Main Provisions of the Articles of Association of the Company' on page 302 of this Red Herring Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled 'Dividend Policy' on page 157 of this Red Herring Prospectus.

### FACE VALUE AND ISSUE PRICE

The Equity Shares having a face value of Rs. 10/- each and the Issue Price at the lower end of Price Band is 51 per Equity Share at the higher end of Price Band is 54 per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLMs and advertised in English Daily edition of the English national newspaper Business Standard, Hindi Daily edition of the Hindi national newspaper Business Standard and the Regional newspaper Ekdin, each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

### COMPLIANCE WITH SEBI ICDR REGULATIONS

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

### RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;



- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated May 11, 2017 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated April 10, 2017 amongst CDSL, our Company and the Registrar to the Issue

The trading of the Equity Shares will happen in the minimum contract size of 2000 Equity Shares and the same may be modified by the NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Red Herring Prospectus will be done in multiples of 2000 Equity Shares subject to a minimum allotment of 2000 Equity Shares to the successful bidders in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **MINIMUM NUMBER OF ALLOTTEES**

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 all the monies blocked by SCSBs shall be unblocked within 06 working days of closure of Issue.

#### **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 of the Companies Act 2013, the sole or first bidder, along with other joint bidder, may nominate any one person in whom, in the event of the death of sole bidder or in case of joint bidder, death of all the bidders, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company. In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the bidder would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Red Herring Prospectus with Stock Exchange.

#### BID/ ISSUE OPENING DATE

Bid / Issue Opening Date	November 14, 2017
Bid / Issue Closing Date	November 16, 2017
Finalisation of Basis of Allotment with the Designated Stock Exchange	November 21, 2017
Initiation of Refunds	November 22, 2017
Credit of Equity Shares to demat accounts of Allottees	November 23, 2017
Commencement of trading of the Equity Shares on the Stock Exchange	November 24, 2017

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLMs. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the

electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Red Herring Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Red Herring Prospectus is Indian Standard Time.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data.

#### **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue, subject to the Issue being made for at least 25% of the post-Issue paid up Indian Equity Share capital of our Company, in accordance with Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, 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 not later than 70 days from the Issue Closing Date. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, section 39(3) of the Companies Act, 2013 and Companies (Prospectus and Allotment of Securities) Rules, 2014. Further Section 39(5) states that in case of default under section 39(3), the Company and its officers who are in default shall be liable to a penalty of Rs. 1,000 for each day during which the default continues or Rs. 100,000, whichever is less.

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

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

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

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

#### **MIGRATION TO MAIN BOARD**

Our company may migrate to the main board of NSE from the EMERGE Exchange at a later date subject to the following:

- a) If the Paid up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid up Capital of our company is more than 10 crores but below Rs. 25 crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal.

#### **MARKET MAKING**

The shares offered though this issue are proposed to be listed on the NSE EMERGE Platform (SME Exchange) wherein the Book Running Lead Manager to the issue shall ensure compulsory Market Making through registered Market Makers of the SME Exchange for a minimum period of three years from the date of listing of shares offered though this Red Herring Prospectus. For further details of the Market Making arrangement see chapter titled “General Information” beginning on page 53of this Red Herring Prospectus.

#### **RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution as detailed in chapter titled “Capital Structure” beginning on page 64of this Red Herring Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting except as provided in the Articles of Association. Please refer to the section “Main Provisions of the Articles of Association” beginning on page 302of this Red Herring Prospectus.

*The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders 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.*

#### ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 2000 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 NSE EMERGE Platform.

#### AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

Our Company shall issue shares only in dematerialized form. Investors making application in dematerialized form may get the specified securities rematerialized subsequent to allotment.

#### NEW FINANCIAL INSTRUMENTS

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

#### JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Kolkata, West Bengal, India.

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

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

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post-issue face value capital does not exceed ten crore rupees, shall issue shares to the public and propose to list the same on the Emerge Platform of NSE (‘NSE Exchange’, in this case being the Emerge Platform of NSE). For further details regarding the salient features and terms of such an Issue please refer to the chapters titled ‘Terms of the Issue’ and ‘Issue Procedure’ beginning on page 271 and 280 of this Red Herring Prospectus

### FOLLOWING IS THE ISSUE STRUCTURE:

Public Issue of 7,26,000 Equity shares of face value of Rs. 10/- each fully paid (the ‘Equity Shares’) for cash at a price of Rs. [●]/- per Equity Share aggregating Rs. [●] Lakhs (‘the Issue’) by our Company. The Issue and Net Issue will constitute 26.63% and 25.24% of the Post-Issue Paid-up Equity Share Capital of our Company.

The Issue comprises a Net Issue to Public of 6,88,000 Equity Shares (‘the Net Issue’) and a reservation of 38,000 Equity Shares for subscription by the designated Market Maker (‘the Market Maker Reservation Portion’).

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	6,88,000 Equity Shares	38,000 Equity Shares
Percentage of Issue Size available for allocation	94.77% of the Issue size	5.23% of the Issue size
Basis of Allotment / Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 2000 Equity Shares and further allotment in multiples of 2000 Equity Shares each. For further details please refer to the “Issue Procedure” on page 280 of this Red Herring Prospectus.	Firm Allotment
Mode of Bid cum Application	All bidders must compulsorily apply through the ASBA Process (online or the Physical through ASBA Process)	Through ASBA Process Only
Minimum Bid Size	For QIB and NII: Such number of Equity Shares in multiples of 2000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/- For Retail Individuals: 2000 Equity Shares	38,000 Equity Shares
Maximum Bid Size	For QIB and NII: Such number of equity shares in multiples of 2000 Equity Shares such that the Application Size does not exceed 7,26,000 Equity Shares.	Application size shall be 38,000 equity shares since there is a firm allotment

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
	For Retail Individuals: 2000 Equity Shares	
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	2000 Equity Shares	2000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Bid Amount will be payable at the time of submission of the Bid cum Application Form.	

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please refer to “Issue Structure” on page 277 of this Red Herring Prospectus.

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

- (a) Minimum fifty percent to retail individual investors; and
- (b) Remaining to:
  - (i) Individual bidders other than retail individual investors; and
  - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- (c) The unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to bidders in the other category.

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

In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

BID/ ISSUE OPENING DATE	
Bid / Issue Opening Date	November 14, 2017
Bid / Issue Closing Date	November 16, 2017
Finalisation of Basis of Allotment with the Designated Stock Exchange	November 21, 2017
Initiation of Refunds	November 22, 2017
Credit of Equity Shares to demat accounts of Allottees	November 23, 2017

Commencement of trading of the Equity Shares on the Stock Exchange	November 24, 2017
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Bids and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/Issue Period at the Application Centres mentioned in the Bid cum Application Form, or in the case of ASBA Bidders, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Bids will be accepted only on Working Days, i.e., all trading days of stock exchanges excluding Sundays and bank holidays.



## ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under - “Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus

Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form.

Bidders are required to submit Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Bid cum Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by National Stock Exchange of India Ltd. to act as intermediaries for submitting ASBA Forms are provided on <http://www.bseindia.com> For details on their designated branches for submitting ASBA Forms, please see the above mentioned NSE website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stockbrokers to accept Bid cum Application Forms.

### BOOK BUILDING PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via book building process wherein 50% of the Net Issue to Public is being issued to the Retail Individual Bidders and the balance shall be issued to QIBs and Non-Institutional Bidders. However, if the aggregate demand from the Retail Individual Bidders is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion issued to the remaining investors including QIBs and NIIs and vice-versa subject to valid bids being received from them at or above the Issue Price.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in

any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

### BID CUMAPPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centers, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Offer Opening Date.

All Bidders shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centers only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Color of Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs applying on a repatriation basis	Blue

\*excluding electronic Bid cum Application Form

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

### WHO CAN BID?

In addition to the category of Bidders set forth under —General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organizations authorised in India to invest in the Equity Shares.

### MAXIMUM AND MINIMUM APPLICATION SIZE

#### a) For Retail Individual Bidders:

The Bid must be for a minimum of 2000 Equity Shares and in multiples of 2000 Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 2,00,000.

**b) For Other Bidders (Non-Institutional Bidders and QIBs):**

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs.2,00,000 and in multiples of 2000 Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid. The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Bid cum Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

**OPTION TO SUBSCRIBE IN THE ISSUE**

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single Bid cum application from any investor shall not exceed the investment limit / minimum number of specified securities that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law

**AVAILABILITY OF RED HERRING PROSPECTUS AND BID CUM APPLICATION FORM**

Copies of the ASBA Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

**BID CUM APPLICATIONS BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs APPLYING ON NON-REPATRIATION**

Bid cum 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, partnership firms or their nominees. In case of HUF's bid cum application shall be made by the Karta of the HUF. A bidder in the Net Public Category cannot make a bid cum application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts

**PARTICIPATION BY ASSOCIATED/AFFILIATES OF BOOK RUNNING LEADMANAGER AND SYNDICATE MEMBERS**

The BRLM and Syndicate Members, if any shall not be allowed to purchase in this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion as may be applicable to such Bidders, where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

## BIDS BY ELIGIBLE NRIS

NRIs may obtain copies of Bid cum Application Form from the offices of the BRLMs and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour)

## BIDS BY FPI INCLUDING FIIs

On January 07, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely “foreign institutional investors” and “qualified foreign investors” will be subsumed under a new category namely “foreign portfolio investors” or “FPIs”. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the ASBA Form for Non-Residents (blue in colour).

**AS PER THE CURRENT REGULATIONS, THE FOLLOWING RESTRICTIONS ARE APPLICABLE FOR INVESTMENT BY FPIs:**

1. A foreign portfolio investor shall invest only in the following securities, namely - (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted nonconvertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFC) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014, hold equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after Initial Public Offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment from the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - b) Nothing contained in clause (a) shall apply to:
    - ❖ Any transactions in derivatives on a recognized stock exchange;
    - ❖ Short selling transactions in accordance with the framework specified by the Board;
    - ❖ Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with

Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

- ❖ Any other transaction specified by the Board.
- c) No transaction on the stock exchange shall be carried forward;
- d) The transaction of business in securities by a foreign portfolio investor shall be only through stockbrokers registered by the Board; provided nothing contained in this clause shall apply to;
- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
  - ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
  - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
  - vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
  - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - viii. Any other transaction specified by Board.
- e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form: Provided that any shares held in non-dematerialized form, before the commencement of these regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.
4. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
5. The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
6. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
7. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority
- b) Such offshore derivatives instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly.

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stockexchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

#### **OPTION TO SUBSCRIBE IN THE ISSUE**

- a) Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) A single Bid cum Application From any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

#### **INFORMATION FOR THE BIDDERS**

- Our Company shall file the Red Herring Prospectus with the RoC at least three days before the Bid / Issue Opening Date.
- Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement,

subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.

- Our Company shall announce the Price Band at least five Working Days before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation.  
This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement shall be disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and shall also be pre-filled in the application forms available on the websites of the stock exchanges.
- The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.
- The Book Running Lead Manager shall dispatch the Red Herring Prospectus and other Issue material including Bid cum Application Form, to the Designated Stock Exchange, members of the Syndicate, Bankers to the Issue, investors' associations and SCSBs in advance.
- Copies of the Bid cum Application Form will be available for all categories of Bidders, with the Designated Branches, members of the Syndicate (at the Syndicate ASBA Bidding Centres) and at our Registered Office. Electronic Bid cum Application Form will be available on the websites of the SCSBs and on the websites of the Stock Exchanges at least one Working Day prior to the Issue Opening Date. Copies of the Bid cum Application Form will be available for the Retail Individual Bidders with the members of the Syndicate and at our Registered Office.

**The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid cum Application Form is liable to be rejected.**

#### **BIDSBY 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.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Bid cum Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bid in respect of more than one scheme of the Mutual Fund will not be treated as multiple bids provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the bids are made.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any application,



without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES**

In case of bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the “IRDA Investment Regulations”), are broadly set forth below:

1. equity shares of a company: the least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. the entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and
3. The industry sector in which the investee company operates: 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 the infrastructure and housing sectors on December 26, 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.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to Bids by VCFs, FVCIs, FIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our 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 Bids made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of 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, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, the BRLM may deem fit.

Our 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 mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA bidders, the Demographic Details given on the Bid cum 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 Bid cum Application Form instead of those obtained from the Depositories.

**The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders 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.**

#### **BID BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of bids 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 Bid cum Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

**The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.**

#### **BIDS BY BANKING COMPANY**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the —Banking Regulation Act), and the Master Circular dated July 1, 2015 – Para-banking Activities, is 10% of the paid-up share capital of the investee company or 10% of the bank' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

#### **BIDS BY SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid Cum applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs.

Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

#### ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

#### BIDS 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 AIF Regulations, cannot invest more than 1/3<sup>rd</sup> of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.**

#### TERMS OF PAYMENT

##### Terms of Payment

The entire Issue price of Rs[●]per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism for Bidders**

The Bidders shall specify the bank account number in the Bid cum Application Form and the SCSBs shall block an amount equivalent to the Bid cum Application Amount in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Bid Amount. However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the bid money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the bid Cum application by the ASBA Bidders, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

### **ELECTRONIC REGISTRATION OF BIDS**

1. The Designated Intermediaries will register the bids using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the Bids accepted by them,
  - ii. the Bids uploaded by them
  - iii. the Bids accepted but not uploaded by them or
  - iv. With respect to applications by Bidders, Bids accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid cum Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Bid accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - i. the bids accepted by any Designated Intermediaries
  - ii. the bids uploaded by any Designated Intermediaries or
  - iii. the bids accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering bids for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of bids subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the bid still such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.

6. With respect to bids by bidders, at the time of registering such bids, the Syndicate Bankers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DPID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchange shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to bids by bidders, at the time of registering such bids, the Designated Intermediaries shall enter the following information pertaining to the bids into in the on-line system:
- Name of the bidder;
  - IPO Name;
  - Bid cum Application Form Number;
  - Investor Category;
  - PAN (of First bidder, if more than one bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Bid by an Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic Bid cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of bid, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the bid cum application form in physical as well as electronic mode. The registration of the bid by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non Retail Bidders and Retail Individual Bidders, bids would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject Bid, except on technical grounds.

12. The permission given by the Stock Exchange to use its 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 Book Runner Lead Manager are cleared or approved by the Stock Exchange; 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 Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such bids are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for bids.

#### **ALLOCATION OF EQUITY SHARES**

- a. The Issue is being made through the Book Building Process wherein 38,000 Equity Shares shall be reserved for Market Maker. 3,44,000 Equity shares will be allocated on a proportionate basis to Retail Individual Bidders, subject to valid bids being received from Retail Individual Bidders at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non Retail Bidders.
- b. Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Book Running Lead Managers and the Stock Exchange.
- c. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- d. In terms of SEBI Regulations, Non Retail Bidders shall not be allowed to either withdraw or lower the size of their Bid at any stage.
- e. Allotment status details shall be available on the website of the Registrar to the Issue.

#### **SIGNING OF UNDERWRITING AGREEMENT**

Vide an Underwriting agreement dated March 24, 2017 this issue is 100% Underwritten.

#### **FILING OF THE PROSPECTUS WITH THE ROC**

The Company will file a copy of the Red Herring Prospectus with the Registrar of Companies, Kolkata in terms of Section 32 of Companies Act, 2013.

#### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

## ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

## ISSUANCE OF ALLOTMENT ADVICE

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) The Book Running Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their bidders who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bid.

## GENERAL INSTRUCTIONS

### *Do's:*

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first bidder is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
8. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
9. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
11. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account

- remaining in —active status; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other bids in which PAN is not mentioned will be rejected;
13. Ensure that the Demographic Details are updated, true and correct in all respects;
  14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
  15. Ensure that the category and the investor status is indicated;
  16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
  17. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
  18. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
  19. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
  20. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
  21. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
  22. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demands or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding Rs. 200,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;



13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit more than five Bid cum Application Forms per ASBA Account;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

#### **OTHER INSTRUCTIONS**

##### ***Joint Bids in the case of Individuals***

Bid may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the Applicant whose name appears first in the Bid cum 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 Bids***

A Bidder should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple bids 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 bids are given below:

- (i) All bids are electronically strung on first name, address (1<sup>st</sup> line) and bidder's status. Further, these bids 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 bids
- (ii) Bids which do not qualify as multiple bids as per above procedure are further checked for common DP ID/ beneficiary ID. In case of bids with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple bids.

(iii) Bids which do not qualify as multiple bids as per above procedure are further checked for common PAN. All such matched bids with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple bids.

In case of a mutual fund, a separate bids can be made in respect of each scheme of the mutual fund registered with SEBI and such bids in respect of more than one scheme of the mutual fund will not be treated as multiple bids provided that the bids clearly indicate the scheme concerned for which the bid has been made.

In cases where there are more than 20 valid bids having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of 'know your client' norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Bids in any or all categories.

#### 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 Bidder should mention his/her PAN allotted under the IT Act. Bids without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN, as the Bid is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue/ Book Running Lead Manager can, however, accept the Bid(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Bidder.**

#### COMMUNICATIONS

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the SCSB / Designated Intermediary, where the Bid was submitted and bank account number in which the amount equivalent to the Bid Amount was blocked.

Bidders can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, unblocking of funds, etc. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders can contact the Designated Branches of the SCSBs.

#### IMPERSONATION

Attention of the bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who

- a. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. Makes or abets making of multiple bids to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013 and shall be treated as Fraud.

#### DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date.

In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within two months from the date of allotment thereof or such extended time as may be approved by the Company Law Board under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates. After the funds are transferred from the SCSB's to Public Issue Account on the Designated Date, the Company would ensure the credit to the successful bidders depository account. Allotment of the Equity Shares to the Allottees shall be within one working day of the date of approval of Basis of Allotment by Designated Stock Exchange. Investors are advised to instruct their Depository Participants to accept the Equity Shares that may be allocated/ allotted to them pursuant to this issue.

#### PAYMENT OF REFUND

In the event that the listing of the Equity Shares does not occur in the manner described in this Red Herring Prospectus, the Book Running Lead Manager shall intimate Public Issue bank and Public Issue Bank shall transfer the funds from Public Issue account to Refund Account as per the written instruction from book running lead Manager and the Registrar for further payment to the beneficiary bidders.

#### UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. That our Promoter's contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
7. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. If our Company withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
9. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

## UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

## EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the

Company is in the process of signing the following tripartite agreements with the Depositories and the

Registrar and Share Transfer Agent:

- a. Agreement dated May 11, 2017 among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated April 10, 2017 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no INE335X01014.

## ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) BIDDERS

**In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidder shall compulsorily apply through the ASBA Process. Our Company and the BRLM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the Bid cum Application Form is correctly filled up, as described in this section.**

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=34>. For details on designated branches of SCSB collecting the Bid cum Application Form, please refer the above mentioned SEBI link.

## ASBA PROCESS

Bidder shall submit his Bid through an Bid cum Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Bidder or bank account utilized by the ASBA Bidder ('ASBA Account') is maintained. The SCSB shall block an amount equal to the Bid Amount in the bank account specified in the Bid cum 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 Bid.

The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against the allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Bid, 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 Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the BRLM.

ASBA Bidders are required to submit their Bids, either in physical or electronic mode. In case of bid in physical mode, the ASBA Bidder shall submit the Bid cum Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTAs or DPs registered with SEBI. In case of application in electronic form, the ASBA Bidder shall submit the Bid cum 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 Bids.

#### **Who can apply?**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process.

#### **Mode of Payment**

Upon submission of Bid cum Application Form with the SCSB, whether in physical or electronic mode, each ASBA Bidder shall be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount, in the bank account maintained with the SCSB.

Bid Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Form accompanied by cash, 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 Bid 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 Bidders from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Bidding 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 Bid Amount, as per the Bid cum Application Form submitted by the respective ASBA Bidders, 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 Bid Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the Bid cum 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 Bidder to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Bid 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 Bid, as the case may be.

## RESTRICTION 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 2016, with effect from June 07, 2016 ("Circular of 2016"), 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 between an Indian resident and a Non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

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

**The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the bids are not in violation of laws or regulations applicable to them.**

## SECTION VIII – MAIN PROVISION OF ARTICLES OF ASSOCIATION

Pursuant to Schedule I of the Companies Act and the SEBI Regulation, the main provisions of our Articles relating to, inter alia, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each Provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

### CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and contents
Share Capital	<p><b>3.</b></p> <p>The Authorised Share Capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum Of Association of the Company, with power to increase or reduce such Capital from time to time and power to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or the provisions of the Company or the provisions of the law for the time being in force.</p>
Increase of capital by the Company how carried into effect	<p><b>4.</b></p> <p>The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Companies Act, 2013. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Companies Act, 2013.</p>
New Capital same as existing capital	<p><b>5.</b></p> <p>Except so far as otherwise provided by the conditions of issue or by These Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission,</p>

Title of Article	Article Number and contents
	voting and otherwise.
Redeemable Preference Shares	<p><b>6.</b></p> <p>Subject to the provisions of Section 55 of the Companies Act, 2013, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.</p>
Voting rights of preference shares	<p><b>7.</b></p> <p>The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares and in circumstances provided under Section 47(2).</p>
Provisions to apply on issue of Redeemable Preference Shares	<p><b>8.</b></p> <p>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:</p> <ul style="list-style-type: none"> <li>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption.</li> <li>(b) No such Shares shall be redeemed unless they are fully paid.</li> <li>(c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.</li> <li>(d) Where any such Shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Companies Act, 2013 apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.</li> <li>(e) Subject to the provisions of Section 55 of the Companies Act, 2013, the</li> </ul>



Title of Article	Article Number and contents
	<p>redemption of preference shares hereunder may be affected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.</p>
<p>Reduction of capital</p>	<p><b>9.</b></p> <p>The Company may (subject to the provisions of section 52, 55(1) &amp; (2) of the Companies Act, 2013 and Section 80 of the Companies Act, 1956, to the extent applicable, and Section 100 to 105 of the Companies Act, 1956, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account.</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>
<p>Purchase of own Shares</p>	<p><b>10.</b></p> <p>The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.</p>
<p>Sub-division and cancellation of Shares</p>	<p><b>11.</b></p> <p>Subject to the provisions of Section 61 of the Companies Act, 2013 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.</p>

Title of Article	Article Number and contents

***MODIFICATION OF RIGHTS***

Title of Article	Article Number and contents
Modification of rights	<p><b>12.</b></p> <p>Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Companies Act 1956, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.</p> <p>The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking <i>pari passu</i> therewith.</p>

**SHARES, CERTIFICATES AND DEMATERIALISATION**

Title of Article	Article Number and contents
Restriction on allotment and return of allotment	<p><b>13.</b></p> <p>The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Section 39 of the Companies Act, 2013, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013.</p>

Title of Article	Article Number and contents
Further issue of shares	<p><b>14.</b></p> <p>(1) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered -</p> <p>(a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely—</p> <p>(i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;</p> <p>(ii) the offer aforesaid shall not have the 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 to this effect.</p> <p>(iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company;</p> <p>(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or</p> <p>(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.</p> <p>(2) The notice referred to in sub-clause (a)(i) of Clause (1) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>(3) Nothing aforesaid shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:</p>

Title of Article	Article Number and contents
	<p>Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.</p>
<p>Shares at the disposal of the Directors</p>	<p><b>15.</b></p> <p>Subject to the provisions of Section 62 of the Companies Act, 2013 and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Companies Act, 2013) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p>
<p>Power to offer Shares/options to acquire Shares</p>	<p><b>15A</b></p> <p>(1) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.</p> <p>(2) In addition to the powers of the Board under Article 16A(1), the Board may also allot the Shares referred to in Article 16A(1) to any trust, whose principal objects would <i>inter alia</i> include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A(1)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.</p>

Title of Article	Article Number and contents
	<p>(3) The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A(1) and (2) above.</p>
<p>Application of premium received on Shares</p>	<p><b>16.</b></p> <p>(1) Where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the securities premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company.</p> <p>(2) The securities premium account may, notwithstanding anything in clause (1) thereof be applied by the Company:</p> <ul style="list-style-type: none"> <li>(a) In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus shares;</li> <li>(b) In writing off the preliminary expenses of the Company;</li> <li>(c) In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company; or</li> <li>(d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.</li> <li>(e) For the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013.</li> </ul>
<p>Power also to Company in General Meeting to issue Shares</p>	<p><b>17.</b></p> <p>In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Companies Act, 2013, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.</p>

Title of Article	Article Number and contents
Power of General Meeting to authorize Board to offer Shares/Options to employees	<p><b>17A</b></p> <p>(1) Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose.</p> <p>(2) In addition to the powers contained in Article 18A(1), the General Meeting may authorize the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.</p>
Shares at a discount	<p><b>18.</b></p> <p>The Company shall not issue Shares at a discount except the issue of Sweat Equity Shares of a class already issued, if the following conditions are fulfilled, namely:</p> <ul style="list-style-type: none"> <li>(a) the issue is authorized by a special resolution passed by the company;</li> <li>(b) the resolution specifies the number of shares, the current market price, consideration, if any, and the class or classes of directors or employees to whom such equity shares are to be issued;</li> <li>(c) not less than one year has, at the date of such issue, elapsed since the date on which the company had commenced business; and</li> <li>(d) where the equity shares of the company are listed on a recognized stock exchange, the sweat equity shares are issued in accordance with the regulations made by the Securities and Exchange Board in this behalf and if they are not so listed, the sweat equity shares are issued in accordance with the prescribed rules.</li> </ul>

Title of Article	Article Number and contents
Installments of Shares to be duly paid	<p><b>19.</b></p> <p>If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.</p>
The Board may issue Shares as fully paid-up	<p><b>20.</b></p> <p>Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.</p>
Acceptance of Shares	<p><b>21.</b></p> <p>Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.</p>
Deposit and call etc., to be debt payable	<p><b>22.</b></p> <p>The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.</p>
Liability of Members	<p><b>23.</b></p> <p>Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid</p>

Title of Article	Article Number and contents
	thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.
Dematerialisation of securities	<p><b>24.(A)</b></p> <p><b>Definitions:</b></p> <p><b>Beneficial Owner</b> “Beneficial Owner” means a person whose name is recorded as such with a Depository.</p> <p><b>SEBI</b> “SEBI” means the Securities and Exchange Board of India.</p> <p><b>Bye-Laws</b> “Bye-Laws” mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;</p> <p><b>Depositories Act</b> “Depositories Act” means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force;</p> <p><b>Depository</b> “Depository” means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;</p> <p><b>Record</b> “Record” includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;</p> <p><b>Regulations</b> “Regulations” mean the regulations made by SEBI;</p> <p><b>Security</b> “Security” means such security as may be specified by SEBI.</p>



Title of Article	Article Number and contents
Dematerialisation of securities	<p><b>24.(B)</b></p> <p>Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.</p>
Options to receive security certificates or hold securities with depository	<p><b>24.(C)</b></p> <p>Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository.</p> <p>Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.</p>
Securities in depositories to be in fungible form	<p><b>24.(D)</b></p> <p>All Securities held by a Depository shall be dematerialised and shall be in a fungible form;</p>
Rights of depositories and beneficial owners	<p><b>24.(E)</b></p> <p>(1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;</p> <p>(2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;</p> <p>(3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.</p>
	<p><b>24.(F)</b></p>

Title of Article	Article Number and contents
Depository To Furnish Information	Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
Service of documents	<b>24.(G)</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.
Option to opt out in respect of any security	<b>24.(H)</b>  If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Sections 45 and 56 of the Companies Act, 2013 not to apply	<b>24.(I)</b>  Notwithstanding anything to the contrary contained in the Articles:  (1) Section 45 of the Companies Act, 2013 shall not apply to the Shares held with a Depository;  (2) Section 56 of the Companies Act, 2013 shall not apply to transfer of Security affected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Share certificate	<b>25.</b>  (a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name.  (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.

Title of Article	Article Number and contents
<p>Limitation of time for issue of certificates</p>	<p><b>26.</b></p> <p>Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.</p>
<p>Renewal of share certificates</p>	<p><b>27.</b></p> <p>No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.</p> <p>PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.</p>
<p>Issue of new certificate in place of one defaced, lost or destroyed</p>	<p><b>28.</b></p> <p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof</p>

Title of Article	Article Number and contents
	<p>for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.</p> <p>The provision of this Article shall mutatis mutandis apply to Debentures of the Company.</p>
The first name joint holder deemed sole holder	<p><b>29.</b></p> <p>If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.</p>
Issue of Shares without Voting Rights	<p><b>30.</b></p> <p>In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.</p>
Buy-Back of Shares and Securities	<p><b>31.</b></p> <p>Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 67 and SEBI (Buy Back of Shares) Regulations as may be permitted by law.</p>
Employees Stock Options Scheme/ Plan	<p><b>32.</b></p> <p>The Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee</p>

Title of Article	Article Number and contents
	thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.
Sweat Equity	<p><b>33.</b></p> <p>Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.</p>
Company not bound to recognize any interest in Shares other than of registered holder	<p><b>34.</b></p> <p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</p>
Trust recognized	<p><b>35.</b></p> <p>(a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.</p> <p>(b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.</p>

Title of Article	Article Number and contents
<p>Declaration by person not holding beneficial interest in any Shares</p>	<p><b>36.</b></p> <p>(1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act.</p> <p>(2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act.</p> <p>(3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, of so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act</p> <p>(4) Notwithstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.</p>
<p>Funds of Company not to be applied in purchase of Shares of the Company</p>	<p><b>37.</b></p> <p>No funds of the Company shall except as provided by Section 67 of the Companies Act, 2013 be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 (to the extent applicable) of Companies Act, 2013 and Sections 80 and 100 to 105 of the Companies Act, 1956 and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.</p>

**UNDERWRITING AND BROKERAGE**

Title of Article	Article Number and contents
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Title of Article	Article Number and contents
Commission may be paid	<p><b>38.</b></p> <p>Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at any time pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company.</p>
Brokerage	<p><b>39.</b></p> <p>The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.</p>
Commission to be included in the annual return	<p><b>40.</b></p> <p>Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Section 92 to the Companies Act, 2013.</p>

#### DEBENTURES

Title of Article	Article Number and contents
Debentures with voting rights not to be issued	<p><b>41.</b></p> <p>(a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.</p> <p>(b) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 327 of the Companies Act, 2013.</p> <p>(c) Certain charges (which expression includes mortgage) mentioned in Section 77 of the Companies Act, 2013 shall be void against the Liquidator or creditor unless registered as provided in Section 77 of the Companies Act, 2013.</p> <p>(d) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance.</p> <p>(e) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 56 of the Companies Act, 2013) within six months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred.</p>

Title of Article	Article Number and contents
	<p>(f) The Company shall comply with the provisions of Section 71 of the Companies Act, 2013 as regards supply of copies of Debenture Trust Deed and inspection thereof.</p> <p>(g) The Company shall comply with the provisions of Section 2(16), 77 to 87 (inclusive) of the Companies Act, 2013 as regards registration of charges.</p>

### CALLS

Title of Article	Article Number and contents
Directors may make calls	<p><b>42.</b></p> <p>(a) Subject to the provisions of Section 49 of the Companies Act, 2013 the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.</p> <p>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.</p>
Notice of call when to be given	<p><b>43.</b></p> <p>Not less than <b>fourteen days</b> notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.</p>
Call deemed to have been made	<p><b>44.</b></p> <p>A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.</p>
	<p><b>45.</b></p>



Title of Article	Article Number and contents
Directors may extend time	The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour.
Amount payable at fixed time or by installments to be treated as calls	<b>46.</b> If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
When interest on call or installment payable	<b>47.</b> If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding ten percent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment but the Directors may waive payment of such interest wholly or in part.
Evidence in action by Company against share holder	<b>48.</b> On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting 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.

Title of Article	Article Number and contents
Payment in anticipation of calls may carry interest	<p><b>49.</b></p> <p>The Directors may, if they think fit, subject to the provisions of Section 50 of the Companies Act, 2013, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.</p> <p>The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.</p> <p><b>The provisions of these Articles shall <i>mutatis mutandis</i> apply to the calls on Debentures of the Company.</b></p>

**LIEN**

Title of Article	Article Number and contents
Partial payment not to preclude forfeiture	<p><b>50.</b></p> <p>Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.</p>
Company's lien on Shares/ Debentures	<p><b>51.</b></p> <p>The Company shall have first and paramount lien upon all Shares/Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if</p>

Title of Article	Article Number and contents
	any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article.
As to enforcing lien by sale	<p><b>52.</b></p> <p>The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same.</p> <p>PROVIDED THAT no sale shall be made:-</p> <p>(a) Unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.</p> <p>For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their members to execute a transfer there from on behalf of and in the name of such Members</p> <p>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 in reference to the sale.</p>
Application of proceeds of sale	<p><b>53.</b></p> <p>(a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and</p> <p>(b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).</p>

**FORFEITURE OF SHARES**

Title of Article	Article Number and contents
	<b>54.</b>

Title of Article	Article Number and contents
If money payable on Shares not paid notice to be given	If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
Sum payable on allotment to be deemed a call	<b>55.</b> For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.
Form of notice	<b>56.</b> The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.
In default of payment Shares to be forfeited	<b>57.</b> If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
Notice of forfeiture to a Member	<b>58.</b> When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Shares to be the property of the Company and may be sold etc.	<b>59.</b> Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.

Title of Article	Article Number and contents
Member still liable for money owing at the time of forfeiture and interest	<p><b>60.</b></p> <p>Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.</p>
Effects of forfeiture	<p><b>61.</b></p> <p>The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.</p>
Power to annul forfeiture	<p><b>62.</b></p> <p>The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.</p>
Declaration of forfeiture	<p><b>63.</b></p> <p>(a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p> <p>(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.</p> <p>(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.</p> <p>(d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.</p> <p>(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares.</p>

Title of Article	Article Number and contents
Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum	<p><b>64.</b></p> <p>The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.</p>
Cancellation of shares certificates in respect of forfeited Shares	<p><b>65.</b></p> <p>Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.</p>
Evidence of forfeiture	<p><b>66.</b></p> <p>The declaration as mentioned in Article 64(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p>
Validity of sale	<p><b>67.</b></p> <p>Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.</p>
Surrender of Shares	<p><b>68.</b></p> <p>The Directors may subject to the provisions of the Act, accept surrender of any share from any Member desirous of surrendering on such terms and conditions as they think fit.</p>

#### TRANSFER AND TRANSMISSION OF SHARES

Title of Article	Article Number and contents
No transfers to minors etc.	<p><b>69.</b></p> <p>No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.</p>
Instrument of transfer	<p><b>70.</b></p> <p>The instrument of transfer shall be in writing and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be</p>

Title of Article	Article Number and contents
	duly complied with in respect of all transfer of shares and registration thereof.
Application for transfer	<p><b>71.</b></p> <p>(a) An application for registration of a transfer of the Shares in the Company may be made either by the transferor or the transferee.</p> <p>(b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.</p> <p>(c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.</p>
Execution of transfer	<p><b>72.</b></p> <p>The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 56 of the Companies Act, 2013 and any statutory modification thereof for the time being shall be duly complied with.</p>
Transfer by legal representatives	<p><b>73.</b></p> <p>A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.</p>
Register of Members etc when closed	<p><b>74.</b></p> <p>The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders , in accordance with Section 91 of the Companies Act, 2013 and rules made thereunder, at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.</p>
Directors may refuse to register transfer	<p><b>75.</b></p>

Title of Article	Article Number and contents
	<p>Subject to the provisions of Section 58 &amp; 59 of the Companies Act, 2013, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to 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, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.</p>
<p>Death of one or more joint holders of Shares</p>	<p><b>76.</b> In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.</p>
<p>Titles of Shares of deceased Member</p>	<p><b>77.</b> The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 and 56 of the Companies Act, 2013.</p>
<p>Notice of application when to be given</p>	<p><b>78.</b> Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Companies Act, 2013.</p>
<p>Registration of persons entitled to Shares otherwise than by transfer</p>	<p><b>79.</b> Subject to the provisions of the Act and Article 77 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any</p>



Title of Article	Article Number and contents
(Transmission Clause)	obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".
Refusal to register nominee	<b>80.</b> Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Person entitled may receive dividend without being registered as a Member	<b>81.</b> A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.
No fee on transfer or transmissions	<b>82.</b> No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or othersimilar document.
Transfer to be presented with evidence of title	<b>83.</b> Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
Company not liable for disregard of a notice prohibiting registration of transfer	<b>84.</b> The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to 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 to do so, though it may have been entered or referred to in some book of the Company, but

Title of Article	Article Number and contents
	the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

### CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Title of Article	Article Number and contents
Share may be converted into stock	<p><b>85.</b></p> <p>The Company may, by Ordinary Resolution convert any fully paid up Share into stock, and reconvert any stock into fully paid-up Shares.</p>
Transfer of stock	<p><b>86.</b></p> <p>The several holders of such stock may transfer their respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit.</p> <p>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 stock arose.</p>
Right of stock holders	<p><b>87.</b></p> <p>The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them in Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.</p>
Regulation applicable to stock and share warrant	<p><b>88.</b></p> <p>Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Shareholder" in these regulations shall include "stock" and "stockholder" respectively.</p>

## BORROWING POWERS

Title of Article	Article Number and contents
Power to borrow	<p><b>89.</b></p> <p>Subject to the provisions of Sections 73, 74 and 179 of the Companies Act, 2013 and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source.</p> <p>PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.</p>
The payment or repayment of moneys borrowed	<p><b>90.</b></p> <p>The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.</p>
Bonds, Debentures, etc. to be subject to control of Directors	<p><b>91.</b></p> <p>Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider being for the benefit of the Company.</p>
	<p><b>92.</b></p>

Title of Article	Article Number and contents
Terms of issue of Debentures	Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
Mortgage of uncalled capital	<b>93.</b> If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.
Indemnity may be given	<b>94.</b> Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or about to incur any liability as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

#### RELATED PARTY TRANSACTIONS

Title of Article	Article Number and contents
Related Party Transactions	<b>95.</b> <b>A.</b> Subject to the provisions of the Act, the Company may enter into contracts with the Related Party which are at arm's length and are in ordinary course of business of the company with approval of the Audit Committee.  <b>B.</b> Subject to the provisions of the Act, the Company may enter into contracts with the related parties which are of such nature wherein it requires consent of shareholders in terms of Act or Listing Regulations or any other law for the time being in force, with approval of the shareholders in the general meeting.

**MEETING OF MEMBERS**

Title of Article	Article Number and contents
<p>Annual General Meeting</p>	<p><b>96.</b></p> <p>(a) An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next.</p> <p>(b) Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time with which any Annual General Meeting may be held.</p> <p>(c) Every Annual General Meeting shall be called at a time during business hours i.e. 9 a.m. to 6 p.m., on a day that is not a national holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.</p> <p>(d) The company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting.</p> <p>(e) Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.</p> <p>(f) At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and Audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting.</p> <p>(g) The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 92 and 137 of the Act.</p>
<p>Report statement and registers to be laid before the Annual General</p>	<p><b>97.</b></p> <p>The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which</p>

Title of Article	Article Number and contents
Meeting	Registers shall remain open and accessible during the continuance of the Meeting.
Extra-Ordinary General Meeting	<p><b>98.</b></p> <p>All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting.</p>
Requisitionists' Meeting	<p><b>99.</b></p> <p>(1) Subject to the provisions of Section 111 of the Companies Act, 2013, the Directors shall on the requisition in writing of such number of Members as is hereinafter specified:-</p> <p>(a) Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.</p> <p>(b) Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting.</p> <p>(2) The number of Members necessary for a requisition under clause (1) hereof shall be such number of Members as represent not less than one-tenth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or</p> <p>(3) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter.</p> <p>(4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:</p> <p>(a) A copy of the requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company.</p>

Title of Article	Article Number and contents
	<p>i. In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting;</p> <p>ii. In the case of any other requisition, not less than two weeks before the Meeting, and</p> <p>(b) There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company's expenses in giving effect thereto.</p> <p>PROVIDED THAT if, after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes thereof.</p> <p>(5) The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Company Law Board is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.</p> <p>(6) Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members.</p>
<p>Extra-Ordinary General Meeting by Board and by requisition</p> <p>When a Director or any two Members may call an Extra Ordinary General Meeting</p>	<p><b>100.</b></p> <p>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.</p> <p>(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.</p>

Title of Article	Article Number and contents
<p>Contents of requisition, and number of requisitionists required and the conduct of Meeting</p>	<p><b>101.</b></p> <p>(1) In case of requisition the following provisions shall have effect:</p> <p>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.</p> <p>(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.</p> <p>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.</p> <p>(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (c) shall apply separately in regard to each such matter and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.</p> <p>(e) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:</p> <p>(i) by the requisitionists themselves; or</p> <p>(ii) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (1) whichever is less.</p> <p>PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114 of the Companies Act, 2013.</p> <p>(2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:</p> <p>(a) shall be called in the same manner as, nearly as possible, as that in which</p>



Title of Article	Article Number and contents
	<p>meeting is to be called by the Board; but</p> <p>(b) shall not be held after the expiration of three months from the date of deposit of the requisition.</p> <p>PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.</p> <p>(3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.</p> <p>(4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.</p>
Length of notice of Meeting	<p><b>102.</b></p> <p>(1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing.</p> <p>(2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:</p> <p>(i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and</p> <p>(ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.</p> <p>PROVIDED THAT where any Members of the Company are 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 the purposes of this clause in respect of the former resolutions and not in respect of the later.</p>
	<p><b>103.</b></p>

Title of Article	Article Number and contents
<p>Contents and manner of service of notice and persons on whom it is to be served</p>	<p>(1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.</p> <p>(2) Subject to the provisions of the Act notice of every General Meeting shall be given;</p> <p>(a) to every Member of the Company, in any manner authorized by Section 20 of the Companies Act, 2013;</p> <p>(b) to the persons entitled to a Share in consequence of the death or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, 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 giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and</p> <p>(c) to the Auditor or Auditors for the time being of the Company</p> <p>(3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.</p>
<p>Special and ordinary business and explanatory statement</p>	<p><b>104.</b></p> <p>(1) (a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to</p> <p>(i) the consideration of the accounts, balance sheet, the reports of the Board of Directors and Auditors;</p> <p>(ii) the declaration of dividend;</p> <p>(iii) the appointment of Directors in the place of those retiring; and</p> <p>(iv) the appointment of, and the fixing of the remuneration of the Auditors, and</p> <p>(b) In the case of any other meeting, all business shall be deemed special.</p> <p>(2) Where any items of business to be transacted at the Meeting of the Company are 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</p>

Title of Article	Article Number and contents
	<p style="text-align: center;">particular the nature of the concern or interest, if any, therein of every Director.</p> <p>PROVIDED THAT where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company.</p> <p>(3) 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>
Omission to give notice not to invalidate proceedings	<p><b>105.</b></p> <p>The accidental omission to give such notice as aforesaid to or non-receipt thereof by any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.</p>
Notice of business to be given	<p><b>106.</b></p> <p>No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.</p>
Quorum	<p><b>107.</b></p> <p>The quorum for General Meetings shall be as under:-</p> <p>(i) five members personally present if the number of members as on the date of meeting is not more than one thousand;</p> <p>(ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</p> <p>(iii) thirty members personally present if the number of members as on the date of</p>

Title of Article	Article Number and contents
	<p>the meeting exceeds five thousand;</p> <p>No business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 113 of the Companies Act, 2013.</p>
<p>If quorum not present when Meeting to be dissolved and when to be adjourned</p>	<p><b>108.</b></p> <p>If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.</p>
<p>Resolution passed at adjourned Meeting</p>	<p><b>109.</b></p> <p>Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.</p>
<p>Chairman of General Meeting.</p>	<p><b>110.</b></p> <p>At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.</p>
<p>Act for resolution sufficiently done or passed by Ordinary</p>	<p><b>111.</b></p> <p>Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either</p>

Title of Article	Article Number and contents
Resolution unless otherwise required	the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.
Business confined to election of Chairman whilst the Chair is vacant	<p><b>112.</b></p> <p>No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.</p>
Chairman may adjourn Meeting	<p><b>113.</b></p> <p>(a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place.</p> <p>(b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place</p> <p>(c) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting.</p> <p>(d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.</p>
How questions are decided at Meetings	<p><b>114.</b></p> <p>Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.</p>
Chairman's declaration of result of voting on show of hands	<p><b>115.</b></p> <p>A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.</p>
	<p><b>116.</b></p>

Title of Article	Article Number and contents
Demand of poll	Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	<b>117.</b> A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	<b>118.</b> In the case of equality of votes, the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Appointment of scrutineers	<b>119.</b> Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other	<b>120.</b> The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an

Title of Article	Article Number and contents
business	adjournment) other than the question on which the poll has been demanded.
Special notice	<p><b>121.</b></p> <p>Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, the notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.</p>
Postal Ballot	<p><b>122.</b></p> <p>The Company may pass such resolution by postal ballot in the manner prescribed by Section 110 of the Companies Act, 2013 and such other applicable provisions of the Act and any future amendments or re-enactment thereof and as may be required by any other law including Listing Regulations as amended from time to time. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.</p>

#### VOTES OF MEMBERS

Title of Article	Article Number and contents
Member paying money in advance not to be entitled to vote in respect thereof	<p><b>123.</b></p> <p>A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable.</p>
Restriction on exercise of voting	<p><b>124.</b></p> <p>No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid</p>

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rights of Members who have not paid calls	or in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	<p><b>125.</b></p> <p>Subject to the provisions of Article 123, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorized) have one vote and on a poll, when present in person (including a body corporate by a duly authorized representative), or by an agent duly authorized under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company.</p> <p>Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in sub-section (2) of Section 47 of Companies Act, 2013) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares.</p> <p>A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.</p>
Votes of Members of unsound mind	<p><b>126.</b></p> <p>A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.</p>
Votes of joint Members	<p><b>127.</b></p> <p>If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorized under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorized under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators</p>



Title of Article	Article Number and contents
	of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.
Representation of body corporate	<p><b>128.</b></p> <p>(a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorize such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorized by resolutions 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 that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.</p> <p>(b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.</p>
Votes in respects of deceased or insolvent Members	<p><b>129.</b></p> <p>Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.</p>
Voting in person or by proxy	<p><b>130.</b></p> <p>Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorized in accordance with Section 105 of the Companies Act, 2013.</p>

Title of Article	Article Number and contents
Rights of Members to use votes differently	<p><b>131.</b></p> <p>On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses</p>
Proxies	<p><b>132.</b></p> <p>Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself. PROVIDED that a proxy so appointed shall not have any right whatsoever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.</p>
Proxy either for specified meeting or for a period	<p><b>133.</b></p> <p>An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.</p>
No proxy to vote on a show of hands	<p><b>134.</b></p> <p>No proxy shall be entitled to vote by a show of hands.</p>
Instrument of proxy when to be deposited	<p><b>135.</b></p> <p>The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.</p>
Form of Proxy	<p><b>136.</b></p> <p>Every instrument of proxy whether for a specified Meeting or otherwise shall, as</p>

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	nearly as circumstances will admit, be in any of the forms as prescribed in the Companies Act, 2013, and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorized by it.
Validity of votes given by proxy notwithstanding revocation of authority	<p><b>137.</b></p> <p>A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.</p>
Time for objection to vote	<p><b>138.</b></p> <p>No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.</p>
Chairman of any Meeting to be the judge of Validity of any value	<p><b>139.</b></p> <p>The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.</p>
Custody of Instrument	<p><b>140.</b></p> <p>If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.</p>

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## DIRECTORS

Title of Article	Article Number and contents
Number of Directors	<p><b>141.</b></p> <p>Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Companies Act, 2013, the number of Directors shall not be less than three and not more than fifteen.</p>
Appointment of Directors	<p><b>142.</b></p> <p>The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable.</p>
Debenture Directors	<p><b>143.</b></p> <p>Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, 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 liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.</p>
Nominee Director or Corporation Director	<p><b>144.</b></p> <p>(a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a</p>

Title of Article	Article Number and contents
	<p>Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/their places.</p> <p>(b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.</p> <p>(c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall <i>ipso facto</i> vacate such office immediately on the moneys owing by the Company to the Corporation being paid off.</p> <p>(d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.</p> <p>(e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation..</p> <p>Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.</p>

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Special Director	<p><b>145.</b></p> <p>(a) In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as “collaboration” to appoint from time to time any person as director of the company (hereinafter referred to as “special director”) and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.</p> <p>(b) The collaborators may at any time and from time to time remove any such special 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 special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.</p> <p>(c) It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as many special directors as the collaborators eligible to make the appointment.</p>
Limit on number of non-retiring Directors	<p><b>146.</b></p> <p>The provisions of Articles 143, 144 and 145 are subject to the provisions of Section 152 of the Companies Act, 2013 and number of such Directors appointed shall not exceed in the aggregate one third of the total number of Directors for the time being in office.</p>
Alternate Director	<p><b>147.</b></p> <p>The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings</p>

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	of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.
Directors may fill in vacancies	<p><b>148.</b></p> <p>The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.</p>
Additional Directors	<p><b>149.</b></p> <p>Subject to the provisions of Section 161 of the Companies Act, 2013 the Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board (“Additional Director”) so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only up to the date of the next Annual General Meeting and shall be eligible for election at such Meeting.</p>
Qualification shares	<p><b>150.</b></p> <p>A Director need not hold any qualification shares.</p>
Directors’ sitting fees	<p><b>151.</b></p> <p>The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.</p>
Extra remuneration	<p><b>152.</b></p> <p>Subject to the provisions of Sections 188 and 197 of the Companies Act, 2013, if</p>

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to Directors for special work	<p>any Director, being willing, shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.</p> <p>Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either:</p> <ol style="list-style-type: none"> <li>i. by way of monthly, quarterly or annual payment with the approval of the Central Government; or</li> <li>ii. by way of commission if the Company by a Special Resolution authorized such payment.</li> </ol>
Traveling expenses incurred by Directors on Company's business	<p><b>153.</b></p> <p>The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.</p>
Director may act notwithstanding vacancy	<p><b>154.</b></p> <p>The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.</p>
Board resolution necessary for certain contracts	<p><b>155.</b></p> <p>(1) Subject to the provisions of Section 188 of the Companies Act, 2013, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company:</p>



Title of Article	Article Number and contents
	<p>(a) For the sale, purchase or supply of goods, materials or services; or</p> <p>(b) for underwriting the subscription of any Share in or debentures of the Company;</p> <p>(c) nothing contained in clause (a) of sub-clause (1) shall affect:-</p> <p style="padding-left: 40px;">(i) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or</p> <p style="padding-left: 40px;">(ii) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business.</p> <p style="text-align: center;"><b>PROVIDED THAT</b> such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.</p> <p>(b) Notwithstanding any contained in sub-clause (1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into.</p> <p>(c) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board required under clause (1) and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which was entered into.</p> <p>(d) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.</p> <p>(e) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realized by any such contract or the fiduciary relation thereby established.</p>



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Directors and Managing Director may contract with Company	<p><b>158.</b></p> <p>Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts 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 be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 184 of the Companies Act, 2013 and in this respect all the provisions of Section 184 and 189 of the Companies Act, 2013 shall be duly observed and complied with.</p>
Disqualification of the Director	<p><b>159.</b></p> <p>A person shall not be capable of being appointed as a Director of the Company if:-</p> <ul style="list-style-type: none"> <li>(a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force;</li> <li>(b) he is an undischarged insolvent;</li> <li>(c) he has applied to be adjudged an insolvent and his application is pending;</li> <li>(d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed form the date of expiry of the sentence;</li> <li>(e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or</li> <li>(f) an order disqualifying him for appointment as Director has been passed by a Court, unless the leave of the Court has been obtained for his appointment.</li> </ul>
Vacation of office by Directors	<p><b>160.</b></p> <p>The office of Director shall become vacant if:-</p> <ul style="list-style-type: none"> <li>(a) he is found to be of unsound mind by a Court of competent jurisdiction; or</li> <li>(b) he applies to be adjudged an insolvent; or</li> <li>(c) he is adjudged an insolvent; or</li> <li>(d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or</li> <li>(e) 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 unless the Central Government, by a notification in</li> </ul>

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	<p>the Official Gazette removes the disqualification incurred by such failure; or</p> <p>(f) absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or</p> <p>(g) he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 185 of the Companies Act, 2013; or</p> <p>(h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 184 of the Companies Act, 2013; or</p> <p>(i) he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or</p> <p>(j) if by notice in writing to the Company, he resigns his office, or</p> <p>(k) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.</p>
Vacation of office by Directors (contd.)	<p><b>161.</b></p> <p>Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 160 hereof, the disqualification referred to in these clauses shall not take effect:</p> <p>(a) for thirty days from the date of the adjudication, sentence or order;</p> <p>(b) where any appeal or petition is preferred within 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 of; or</p> <p>(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.</p>
Removal of Directors	<p><b>162.</b></p> <p>(a) The Company may subject to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013 and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 242 of the Companies Act, 2013 before the expiry of his period of office.</p> <p>(b) Special Notice as provided by these Articles or Section 115 of the Companies Act, 2013 shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the</p>

Title of Article	Article Number and contents
	<p>Meeting at which he is removed.</p> <p>(c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.</p> <p>(d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so:</p> <p>(i) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and</p> <p>(ii) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting:</p> <p><b>Provided</b> that copies of the representation need not be sent or read out at the Meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.</p> <p>(e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 161 of the Companies Act, 2013 be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p> <p>(f) If the vacancy is not filled under sub-clause (e) hereof, it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 148 or Section 161 of the Companies Act, 2013 and all the provisions of that Article and Section shall apply accordingly</p> <p>Provided that the Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.</p> <p>(g) Nothing contained in this Article shall be taken:-</p> <p>(i) as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director, or</p> <p>(ii) as derogating from any power to remove a Director which may exist apart from this Article.</p>

Title of Article	Article Number and contents
Interested Directors not to participate or vote in Board's proceedings	<p><b>163.</b></p> <p>No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void.</p> <p>Provided however, that nothing herein contained shall apply to:-</p> <p>(a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;</p> <p>(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;</p> <p>(i) in his being:</p> <p>(a) a director of such company; and</p> <p>(b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or</p> <p>(ii) in his being a member holding not more than two percent of its paid-up share capital.</p>
Director may be director of companies promoted by the Company	<p><b>164.</b></p> <p>A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 197 or Section 188 of the Companies Act, 2013 may be applicable.</p>

#### ROTATION AND APPOINTMENT OF DIRECTORS

Title of Article	Article Number and contents
Rotation of	<p><b>165.</b></p> <p>Not less than two third of the total number of Directors shall:</p>

Title of Article	Article Number and contents
Directors	<p>(a) Be persons whose period of the office is liable to termination by retirement by rotation and</p> <p>(b) Save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.</p>
Retirement of Directors	<p><b>166.</b></p> <p>Subject to the provisions of Articles 145 and 147, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.</p>
Retiring Directors	<p><b>167.</b></p> <p>Subject to the provisions of Section 152 of the Companies Act, 2013 and Articles 143 to 154, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 180, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.</p>
Appointment of Technical or Executive Directors	<p><b>168.</b></p> <p>(a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.</p> <p>(b) Subject to the provisions of Section 161 of the Companies Act, 2013 if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.</p>
Ascertainment of Directors retiring by rotation and	<p><b>169.</b></p> <p>Subject to Section 152 of the Companies Act, 2013 the Directors retiring by rotation under Article 167 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became</p>

Title of Article	Article Number and contents
filling of vacancies	Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.
Eligibility for re-election	<p><b>170.</b></p> <p>A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires.</p>
Company to fill vacancies	<p><b>171.</b></p> <p>At the General Meeting, at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.</p>
Provision in default of appointment	<p><b>172.</b></p> <p>(a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.</p> <p>(b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless:</p> <ul style="list-style-type: none"> <li>(i) at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost.</li> <li>(ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed.</li> <li>(iii) he is not qualified or is disqualified for appointment.</li> <li>(iv) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or</li> <li>(v) section 162 of the Companies Act, 2013 is applicable to the case</li> </ul>
Company may increase or reduce the number of Directors or	<p><b>173.</b></p> <p>Subject to the provisions of Section 149 and 152 of the Companies Act, 2013 the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.</p>



Title of Article	Article Number and contents
remove any Director	
Appointment of Directors to be voted individually	<p><b>174.</b></p> <p>(a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it.</p> <p>(b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply.</p> <p>(c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.</p>
Notice of candidature for office of Directors except in certain cases	<p><b>175.</b></p> <p>(1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days' notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of one lakh rupees or such higher amount as may be prescribed 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 twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.</p> <p>(2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office in such manner as may be prescribed.</p> <p>(3) Every person (other than Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Companies Act, 2013 signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.</p> <p>(4) A person other than:</p>

Title of Article	Article Number and contents
	<p>(a) a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or</p> <p>(b) an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Companies Act, 2013 appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office</p> <p>shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.</p>
<p>Disclosure by Directors of their holdings of their Shares and debentures of the Company</p>	<p><b>176.</b></p> <p>Every Director and every person deemed to be Director of the Company by virtue of Section 170 of the Companies Act, 2013 shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.</p>
<p>Votes of Body Corporate</p>	<p><b>177.</b></p> <p>A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.</p>

**MANAGING DIRECTOR**

Title of Article	Article Number and contents
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Title of Article	Article Number and contents
Powers to appoint Managing Director	<p><b>178.</b></p> <p>Subject to the provisions of Section 196 and 203 of the Companies Act, 2013 the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole-time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>(a) The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and Companies Act, 1956, to the extent applicable.</p> <p>(b) Subject to the provisions of Section 152 of the Companies Act, 2013 the Managing Director shall not be, while he continues to hold that office, subject to retirement by rotation.</p>
Remuneration of Managing Director	<p><b>179.</b></p> <p>Subject to the provisions of Sections 196 and 197 of the Companies Act, 2013 a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.</p>
Special position of Managing Director	<p><b>180.</b></p> <p>Subject to any contract between him and the Company, a Managing or Whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, <i>ipso facto</i> and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.</p>
Powers of Managing Director	<p><b>181.</b></p> <p>The Director may from time to time entrust to and confer upon a Managing Director or Whole-time Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient and they may confer such</p>

Title of Article	Article Number and contents
	<p>powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers.</p>
	<p><b>182.</b></p> <p>The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.</p>
	<p><b>183.</b></p> <p>Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign, accept and endorse cheques on behalf of the Company.</p>
	<p><b>184.</b></p> <p>The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p>
	<p><b>185.</b></p> <p>Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>
	<p><b>186.</b></p>

Title of Article	Article Number and contents
Appointment and powers of Manager	The Board may, from time to time, appoint any person as Manager (under Section 2(53) of the Companies Act, 2013) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient.

**WHOLE TIME DIRECTOR**

Title of Article	Article Number and contents
Power to appoint Whole-Time Director and/or Whole-time Directors	<p><b>187.</b></p> <p>Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine and thinks fit. The Board may by ordinary resolution and/or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers, authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period or periods and upon such conditions and subject to such restrictions as it may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and/or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors/persons nominated under Article 188 only. The Whole time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of ordinary resolution or a Court act/s or an agreement/s under such terms not expressly prohibited by the Act.</p>
To what provisions Whole time Directors shall subject	<p><b>188.</b></p> <p>Subject to the provisions of Section 152 of the Companies Act, 2013 and these Articles, a Whole Time Director or Whole Time Directors shall not, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/they shall be subject to the same provision as to resignation and removal as the other Directors and he/they shall <i>ipso facto</i> and immediately ceases or otherwise cease to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act in any Annual General Meeting and shall be re-appointed as a Director or Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time</p>

	Director or Whole Time Directors.
Seniority of Whole Time Director and Managing Director	<p><b>189.</b></p> <p>If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article, the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company.</p>

**PROCEEDINGS OF THE BOARD OF DIRECTORS**

<b>Title of Article</b>	<b>Article Number and contents</b>
Meeting of Directors	<p><b>190.</b></p> <p>The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 173 of the Companies Act, 2013 allow otherwise, Directors shall so meet at least once in every three months and at least four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.</p>
Quorum	<p><b>191.</b></p> <p>(a) Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher.</p> <p>PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of directors who are not interested present at the Meeting being not less than two shall be, the quorum during such time.</p>

Title of Article	Article Number and contents
	<p>(b) For the purpose of clause (a)</p> <p>(i) "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and</p> <p>(ii) "Interested Directors" mean any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.</p>
<p>Procedure when Meeting adjourned for want of quorum</p>	<p><b>192.</b></p> <p>If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.</p>
<p>Chairman of Meeting</p>	<p><b>193.</b></p> <p>The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.</p>
<p>Question at Board meeting how decided</p>	<p><b>194.</b></p> <p>Subject to the provisions of Section 203 of the Companies Act, 2013 questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.</p>
<p>Powers of Board meeting</p>	<p><b>195.</b></p> <p>A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.</p>
<p>Directors may appoint</p>	<p><b>196.</b></p> <p>The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Companies Act, 2013 and of these Articles delegate any of</p>

Title of Article	Article Number and contents
Committee	the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	<p><b>197.</b></p> <p>The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.</p>
Circular resolution	<p><b>198.</b></p> <p>(a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 197 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held.</p> <p>(b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution.</p>
Acts of Board or Committee valid notwithstanding defect in	<p><b>199.</b></p> <p>All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be</p>



Title of Article	Article Number and contents
appointment	as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

### POWERS OF THE BOARD

Title of Article	Article Number and contents
General powers of management vested in the Board of Directors	<p><b>200.</b></p> <p>The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, 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 Board which would have been valid if that regulation had not been made.</p> <p>Provided that the Board shall not, except with the consent of the Company in General Meeting :-</p> <ul style="list-style-type: none"> <li>(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;</li> <li>(b) remit, or give time for the repayment of, any debt due by a Director,</li> <li>(c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;</li> <li>(d) borrow moneys where 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), will 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;</li> <li>(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section</li> </ul>

Title of Article	Article Number and contents
	<p>349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;</p> <p>(i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) of as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e)</p> <p>(ii) Provided further that the expression “temporary loans” in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.</p>
<p>Certain powers to be exercised by the Board only at Meetings</p>	<p><b>201.</b></p> <p>(1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;</p> <p>(a) the power to make calls, on shareholders in respect of money unpaid on their Shares,</p> <p>(b) the power to issue Debentures,</p> <p>(c) the power to borrow moneys otherwise than on Debentures,</p> <p>(d) the power to invest the funds of the Company, and</p> <p>(e) the power to make loans</p> <p>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause (c),(d) and (e) to the extent specified below.</p> <p>(2) Every resolution delegating the power referred to in sub-clause (1)(c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.</p> <p>(3) Every resolution delegating the power referred to in sub-clause (1)(d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.</p> <p>(4) Every resolution delegating the power referred to in sub-clause (1)(e) above shall</p>

Title of Article	Article Number and contents
	<p>specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p>
<p>Certain powers of the Board</p>	<p><b>202.</b></p> <p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <ol style="list-style-type: none"> <li>(1) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</li> <li>(2) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.</li> <li>(3) Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</li> <li>(4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</li> <li>(5) To secure the fulfillment of any contracts or engagement 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 manner as they may think fit.</li> <li>(6) To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed.</li> <li>(7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.</li> <li>(8) 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 payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made</li> </ol>

Title of Article	Article Number and contents
	<p>thereon.</p> <p>(9) To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies.</p> <p>(10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.</p> <p>(11) Subject to the provisions of Sections 291, 292, 295, 370, 372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.</p> <p>(12) To execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such 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, provisions, covenants and agreements as shall be agreed upon.</p> <p>(13) To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.</p> <p>(14) To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of the working expenses of the Company.</p> <p>(15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p> <p>(16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest</p>

Title of Article	Article Number and contents
	<p>several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.</p> <p>(17) To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, laborers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.</p> <p>(18) To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>(19) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>(20) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorize the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p> <p>(21) At any time and from time to time by Power of Attorney under the Seal of the</p>

Title of Article	Article Number and contents
	<p>Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) 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 any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> <p>(22) Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p> <p>(23) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> <p>(24) To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> <p>(25) To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> <p>(26) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported-by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.</p> <p>(27) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(28) To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(29) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p>

Title of Article	Article Number and contents
	<p>(30) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on freehold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(31) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(32) To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(33) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(34) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>

## MANAGEMENT

Title of Article	Article Number and contents
Appointment of different categories of Key managerial personnel	<p><b>203.</b></p> <p>The Company shall have the following whole-time key managerial personnel,—</p> <p>(i) managing director, or Chief Executive Officer or manager and in their absence, a whole-time director;</p> <p>(ii) company secretary; and</p> <p>(iii) Chief Financial Officer</p>
Same person may be Chairperson of the Board and MD/CEO	<p><b>203A.</b></p> <p>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 Officer of the Company.</p>

**MINUTES**

Title of Article	Article Number and contents
Minutes to be made	<p><b>204.</b></p> <p>(1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:</p> <p>(a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.</p>
Minutes to be evidence of the proceeds  Books of minutes of General Meeting to be kept	<p><b>205.</b></p> <p>(a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.</p> <p>(b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 119 and Section 120 of the Companies Act, 2013 and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.</p>
Presumptions	<p><b>206.</b></p> <p>Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 118 of the Companies Act, 2013 until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.</p>

**THE SECRETARY**



Title of Article	Article Number and contents
Secretary	<p><b>207.</b></p> <p>The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called “the Secretary”) to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies Act, read with rules made thereunder.</p>
The Seal, its custody and use	<p><b>208.</b></p> <p>(a) The Board shall provide for the safe custody of the seal.</p> <p>(b) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.</p>

#### DIVIDENDS AND CAPITALISATION OF RESERVES

Title of Article	Article Number and contents
Division of profits	<p><b>209.</b></p> <p>(a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares;</p> <p>(b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.</p>
	<p><b>210.</b></p>

Title of Article	Article Number and contents
The Company at General Meeting may declare dividend	The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Companies Act, 2013 but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.
Dividends out of profits only	<b>211.</b> No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 123 of the Companies Act, 2013.
Interim Dividend	<b>212.</b> The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.
Debts may be deducted	<b>213.</b> (a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.  (b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.
Capital paid-up in advance to carry interest, not the right to earn dividend	<b>214.</b> Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.
Dividends in proportion to amounts paid-up	<b>215.</b> All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.

Title of Article	Article Number and contents
No Member to receive dividend while indebted to the Company and the Company's right in respect thereof	<p><b>216.</b></p> <p>No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.</p>
Effect of transfer of Shares	<p><b>217.</b></p> <p>A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.</p>
Dividend to joint holders	<p><b>218.</b></p> <p>Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.</p>
Dividend how remitted	<p><b>219.</b></p> <p>The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.</p>
Notice of dividend	<p><b>220.</b></p> <p>Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.</p>
Reserves	<p><b>221.</b></p> <p>The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied 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</p>

Title of Article	Article Number and contents
	Company) as the Directors may from time to time think fit.
Dividend to be paid within time required by law.	<p><b>222.</b></p> <p>The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-</p> <ul style="list-style-type: none"> <li>(a) where the dividend could not be paid by reason of the operation on any law; or</li> <li>(b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or</li> <li>(c) where there is dispute regarding the right to receive the dividend; or</li> <li>(d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or</li> <li>(e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.</li> </ul>
Unpaid or unclaimed dividend	<p><b>223.</b></p> <ul style="list-style-type: none"> <li>(a) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called “Pulz Electronics Limited(year) Unpaid Dividend Account”.</li> <li>(b) Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 125 of the Companies Act, 2013.</li> <li>(c) No unclaimed or unpaid dividend shall be forfeited by the Board.</li> </ul>
Set-off of calls against dividends	<p><b>224.</b></p> <p>Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount 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</p>

Title of Article	Article Number and contents
	arranged between the Company and the Members, be set off against the calls.
Dividends in cash	<p><b>225.</b></p> <p>No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.</p>
Capitalisation	<p><b>226.</b></p> <p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <ul style="list-style-type: none"> <li>(a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and</li> <li>(b) That such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.</li> </ul> <p>(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards;</p> <ul style="list-style-type: none"> <li>(a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or</li> <li>(b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or</li> <li>(c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b)</li> </ul> <p>(3) A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.</p>
Board to give effect	<p><b>227.</b></p> <p>The Board shall give effect to the resolution passed by the Company in pursuance of above Article.</p>
Fractional certificates	<p><b>228.</b></p> <p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;</p> <ul style="list-style-type: none"> <li>(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and</li> </ul>

Title of Article	Article Number and contents
	<p>(b) Generally do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power:</p> <p>(a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also</p> <p>(b) to authorize 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 thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such Members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.</p>

## ACCOUNTS

Title of Article	Article Number and Contents
Books to be kept	<p><b>229.</b></p> <p>(1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to:</p> <p>(a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place</p> <p>(b) all sales and purchases of goods by the Company</p> <p>(c) the assets and liabilities of the Company and</p> <p>(d) if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government</p> <p>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file</p>

	<p>with the Registrar a notice in writing giving the full address of that other place.</p> <p>(2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.</p>
Inspection by Members	<p><b>230.</b></p> <p>No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorized by the Board.</p>
Statements of accounts to be furnished to General Meeting	<p><b>231.</b></p> <p>The Board of Directors shall from time to time in accordance with Sections 129, 133, and 134 of the Companies Act, 2013, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet 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 extended period as shall have been granted by the Registrar under the provisions of the Act.</p>
Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 136	<p><b>232.</b></p> <p>(1) The Company shall comply with the requirements of Section 136 of the Companies Act, 2013.</p> <p>(2) The copies of every balance sheet including the Profit &amp; Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting.</p> <p>(3) A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.</p>

<p>Accounts to be audited</p>	<p><b>233.</b></p> <p>Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.</p>
<p>Appointment of Auditors</p>	<p><b>234.</b></p> <p>(1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 146 of the Companies Act, 2013.</p> <p>(2) The Company shall at each Annual General Meeting appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting. The company shall place the matter relating to such appointment for ratification by members at every annual general meeting. The company shall also inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.</p> <p>(3) The company or shall not appoint or re-appoint—</p> <p>(a) an individual as auditor for more than one term of five consecutive years; and</p> <p>(b) an audit firm as auditor for more than two terms of five consecutive years:</p> <p>Provided that—</p> <p>(i) an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term;</p> <p>(ii) an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term:</p> <p>(4) Subject to the provisions of Clause (1) and the rules made thereunder, a retiring auditor may be re-appointed at an annual general meeting, if—</p> <p>(a) he is not disqualified for re-appointment;</p>



	<p>(b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and</p> <p>(c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.</p> <p>(5) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company.</p> <p>(6) Any casual vacancy in the office of an auditor shall be filled by the Board of Directors within thirty days, but if such casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board and he shall hold the office till the conclusion of the next annual general meeting.</p> <p>(7) Special notice shall be required for a resolution at an annual general meeting appointing as auditor a person other than a retiring auditor, or providing expressly that a retiring auditor shall not be re-appointed, except where the retiring auditor has completed a consecutive tenure of five years or, as the case may be, ten years, as provided under Clause (3).</p>
<p>Accounts when audited and approved to be conclusive except as to errors discovered within 3 months</p>	<p><b>235.</b></p> <p>Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.</p>

**DOCUMENTS AND NOTICES**

Title of Article	Article Number and Contents
<p>To whom documents must</p>	<p><b>236.</b></p> <p>Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency</p>

be served or given	of a Member and (c) the Auditor or Auditors for the time being of the Company
Members bound by documents or notices served on or given to previous holders	<p><b>237.</b></p> <p>Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.</p>
Service of documents on the Company	<p><b>238.</b></p> <p>A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post und era certificate of posting or by registered post or by leaving it at its Registered Office.</p>
Authentication of documents and proceedings	<p><b>239.</b></p> <p>Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorized officer of the Company and need not be under the Seal of the Company.</p>

## REGISTERS AND DOCUMENTS

Title of Article	Article Number and Contents
Registers and documents to be maintained by the Company	<p><b>240.</b></p> <p>The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:</p> <ul style="list-style-type: none"> <li>(a) Register of investments made by the Company but not held in its own name, as required by Section 187 of the Companies Act, 2013</li> <li>(b) Register of mortgages and charges as required by Section 85 of the Companies Act, 2013 and copies of instruments creating any charge requiring registration according to Section 85 of the Companies Act, 2013.</li> <li>(c) Register and index of Members and debenture holders as required by Section 88 of the Companies Act, 2013.</li> </ul>

Title of Article	Article Number and Contents
	<ul style="list-style-type: none"> <li>(d) Foreign register, if so thought fit, as required by Section 88 of the Companies Act, 2013.</li> <li>(e) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Companies Act, 2013.</li> <li>(f) Register of Directors and Secretaries etc. as required by Section 170 of the Companies Act, 2013.</li> <li>(g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 170 of the Companies Act, 2013.</li> <li>(h) Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 186 of the Companies Act, 2013.</li> <li>(i) Copies of annual returns prepared under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Companies Act, 2013.</li> </ul>
<p>Inspection of Registers</p>	<p><b>241.</b></p> <p>The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting.</p>

#### WINDING UP

Title of Article	Article Number and Contents
<p>Distribution of assets</p>	<p><b>242.</b></p> <p>If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to</p>

Title of Article	Article Number and Contents
	<p>the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.</p>
<p>Distribution in specie or kind</p>	<p><b>243.</b></p> <p>(a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.</p> <p>(b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.</p> <p>(c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.</p>
<p>Right of shareholders in case of sale</p>	<p><b>244.</b></p> <p>A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 319 of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.</p>
<p>Directors and others right to</p>	<p><b>245.</b></p>

Title of Article	Article Number and Contents
indemnity	<p>Every Director or officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, officer or Auditor or other office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 463 of the Companies Act, 2013 in which relief is granted to him by the Court.</p>
Director, officer not responsible for acts of others	<p><b>246.</b></p> <p>Subject to the provisions of Section 201 of the Act, no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt for other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the 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 security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.</p>

**SECURITY CLAUSE**

Title of Article	Article Number and Contents
Secrecy Clause	<p><b>247.</b></p> <p>Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and</p>

Title of Article	Article Number and Contents
	<p>affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p>
<p>No Member to enter the premises of the Company without permission</p>	<p><b>248.</b></p> <p>No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire 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, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.</p>

**GENERAL**

Title of Article	Article Number and Contents
<p>General Power</p>	<p><b>249.</b></p> <p>Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.</p>

## SECTION IX – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of this Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 46 Satish Mukherjee Road, Kolkata – 700026, West Bengal, India, from date of filing this Red Herring Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### MATERIAL CONTRACTS

1. Mandate letter dated November 09, 2016 issued by the BRLM to our Company.
2. Issue Agreement dated March 24, 2017 between our Company and the BRLM.
3. Agreement dated March 24, 2017 between our Company and the Registrar to the Issue.
4. Public Issue Account agreement dated May 30, 2017 among our Company, the BRLM, the Public Issue Banks, and the Registrar to the Issue.
5. Underwriting agreement dated March 24, 2017 between our Company and BRLM.
6. Market Making Agreement dated March 24, 2017 between our Company, the BRLM and the Market Maker.
7. Agreement among NSDL, our Company and Registrar to the Issue dated May 11, 2017.
8. Agreement among CDSL, our Company and Registrar to the Issue dated April 10, 2017.

#### MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
2. Resolution of the Board dated March 22, 2017 authorizing the Issue.
3. Special Resolution of the shareholders passed at the Extra-Ordinary General Meeting dated March 23, 2017 authorizing the Issue.
4. Statement of Tax Benefits dated October 12, 2017 issued by Statutory Auditor, M/s. KNP & Associates, Chartered Accountants.
5. Report of the Peer Review Auditor, RPMD & Associates, on the Restated Financial Statements for the period ended June 30, 2017 and Financial Year ended on March 31, 2017, 2016, 2015, 2014 and 2013 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Banker to our Company, the Book Running Lead Manager, Underwriter, Registrar to the Issue, Market Maker to the Issue, Legal Advisor, Banker to the Issue, Refund Banker to the Issue, to act in their respective capacities.
7. Copy of approval from NSE *vide* letter dated April 26, 2017 to use the name of NSE in this offer document for listing of Equity Shares on EMERGE Platform of NSE.
8. Due Diligence Certificate dated October 30, 2017 the Book Running Lead Manager.
9. Copy of Managing Director Agreement with Mr. Anirvan Partha Ghose and our Company dated February 13, 2017 for his appointment.

10. Copy of the Special Resolution dated February 13, 2017 for the detailed terms of appointment of Mr. Anirvan Partha Ghose as Managing Director of the Company.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

We, the Directors, hereby certify and declare that, all relevant provisions of the Companies Act, 1956, notified provisions of Companies Act, 2013 and the guidelines issued by the Government of India or the regulations / guidelines 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 the Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, notified provisions of Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Red Herring Prospectus are true and correct.

### Signed by the Directors of our Company

Name	DIN	Designation	Signature
Anirvan Partha Ghose	00188496	Managing Director	Sd/-
Ramakrishna Krishnaraju Manden Kattil	00194891	Executive Director	Sd/-
Rumeeta Anirvan Ghose	02885906	Non-Executive Director	Sd/-
Naresh Kumar Gaiind	07776333	Independent & Non-Executive Director	Sd/-
Nikhil Sunil Arya	06972069	Independent & Non-Executive Director	Sd/-
Hetali Harish Mehta	ARRPM8927E	Company Secretary & Compliance Officer	Sd/-
Mihir Bharat Doshi	AIYPD9081G	Chief Financial Officer	Sd/-

Date:

Place:

Annexure A

FORMAT FOR DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY SARTHI CAPITAL ADVISORS PRIVATE LIMITED

TABLE 1

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing Benchmark]- 30 <sup>th</sup> calendar day from listing	+/- % change in closing price, [+/- % change in closing Benchmark]- 90 <sup>th</sup> calendar day from listing	+/- % change in closing price, [+/- % change in closing Benchmark]- 180 <sup>th</sup> calendar day from listing
1.	Bothra Metals & Alloys Limited	12.21	25	March 25, 2013	25.5	11.00 [3.88]	7.40 [-0.75]	30.00 [6.23]
2.	Tiger Logistics (India) Limited	7.52	66	September 12, 2013	69.2	-13.17 [4.17]	-7.38 [7.02]	-8.10 [10.34]
3.	R J Bio-Tech Limited	5.00	20.00	September 25, 2013	21.00	92.97 [4.17]	63.49 [5.92]	36.05 [11.08]
4.	RCI Industries & Technologies Limited	11.52	40.00	January 21, 2014	41.00	-8.02 [-3.36]	6.31 [7.12]	-2.76 [21.01]
5.	B.C. Power Controls Limited	10.36	18.00	March 14, 2014	17.15	1.10 [3.10]	1.10 [17.27]	2.21 [24.06]
6.	Starlit Power Systems Limited	2.95	18.00	October 22, 2014	18.10	-3.96 [5.78]	-17.68 [7.46]	-33.51[4.10]
7.	JLA Infraville Shoppers Limited	2.00	10.00	November 12, 2014	11.05	5.17 [-2.35]	68.97 [1.24]	72.84 [-1.79]
8.	Akme Starhousing Finance Limited	4.80	30.00	March 20, 2015	32.00	-3.94 [-1.33]	6.14 [-4.05]	11.81 [-8.10]
9.	Mahabir Metallex Limited	3.90	10.00	March 27, 2015	10.30	22.77 [-1.03]	21.78 [1.59]	2.97 [-5.96]

10.	Pecos Hotels And Pubs Limited	2.29	50.00	August 11, 2015	56.00	-4.69 [-8.05]	-6.10 [-6.26]	7.14 [-12.84]
11.	Shaival Realty Limited	5.28	100.00	October 01, 2015	100.50	-0.50 [6.06]	2.49 [4.02]	2.49 [0.08]
12.	Ahimsa Industries Limited	3.79	25.00	October 15, 2015	26.00	-3.08 [-4.56]	-3.85 [-7.54]	-3.85 [-5.75]
13.	Fourth Dimension Solutions Limited	8.68	30.00	January 22, 2016	31.80	107.78 [-2.53]	94.44 [6.60]	108.33 [15.40]
14.	Hi-Tech Pipes Limited	13.65	50.00	February 25, 2016	60.00	2.55 [9.25]	65.11 [13.83]	100.85 [23.84]
15.	Wealth First Portfolio Managers Limited	8.40	50.00	March 30, 2016	52.00	-4.85 [1.48]	-4.76 [5.08]	-8.74 [12.77]
16.	HEC Infra Projects Limited	5.39	100.00	March 30, 2016	102.00	3.17 [1.48]	15.93 [5.08]	3.17 [12.77]
17.	Crown Lifters Limited	6.68	121	September 27, 2016	122.80	0.92 [-1.05]	-12.84 [-9.17]	-31.19[3.89]
18.	Husys Consulting Limited	4.19	69	September 27, 2016	72.90	1.82 [-1.05]	-42.08 [-9.17]	-26.57[3.89]
19.	AVSL Industries Limited	5.18	36	October 06, 2016	38.00	-25.83 [-2.44]	-21.67 [-5.96]	-6.94 [6.38]
20.	Jet Knitwears Limited	4.22	39	October 07, 2016	46.80	102.99 [-2.31]	70.94 [-4.87]	45.51 [6.53]
21.	Jet Freight Logistics Limited	4.07	28	December 06, 2016	33.60	61.16 [1.60]	116.07 [10.07]	101.34 [18.81]
22.	Libas Designs Limited	13.60	68	January 09, 2017	78.25	-3.36 [6.47]	-8.26 [11.48]	-18.77[18.64]
23.	Focus Lighting and Fixtures Limited	4.05	45.00	April 13, 2017	54.00	135.00 [3.22]	177.78[7.27]	112.78[9.47]
24.	M K Proteins Limited	10.23	70.00	April 18, 2017	72.00	-0.14 [3.56]	2.50[8.90]	3.40[12.36]

25.	Infobeans Technologies Limited*	36.78	58.00	May 02, 2017	69.60	-1.87 [3.25]	-3.09 [8.20]	-13.36[11.27]
26.	Jalan Transolutions (India) Limited*	17.71	46.00	May 31, 2017	42.25	-14.18 [-1.04]	-19.07 [-1.04]	-
27.	Shri Ram Switchgears Limited*	5.07	19.00	June 07, 2017	22.80	0.88 [0.02]	-26.10 [0.02]	-
28.	Pushpanjali Realms and Infratech Limited*	14.55	55.00	July 10, 2017	55.00	11.27 [1.40]	44.27[2.23]	-
29.	Salasar Techno Engineering Limited*	35.95	108	July 25, 2017	250.00	-23.31 [-1.08]	10.61[2.21]	-
30.	Total Transport Systems Limited*	17.01	45.00	August 07, 2017	54.00	0.00 [-1.40]	-	-
31.	Servotech Power Systems Limited*	15.13	31.00	August 24, 2017	30.70	30.30[1.09]	-	-
32.	Aarvi Encon Limited*	21.24	54	October 05, 2017	56.00	-	-	-
33.	D P Wires Limited*	26.88	75	October 05, 2017	78.00	-	-	-
34.	Omfurn India Limited*	4.17	23	October 13, 2017	27.60	-	-	-

\*In Table 1 and Table 2 the shares of few company(s) have not reached the consequent milestones.

#The name of Mahabir Metallex Limited has been changed to SVP Housing Limited vide Certificate dated March 14, 2017.

§The companies Tiger Logistics (India) Limited, RCI Industries & Technologies Limited and Akme Star Housing Finance Limited have been migrated to the Main Board of BSE.

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) / [www.nseindia.com](http://www.nseindia.com)

Note:-

1. The BSE Sensex/ Nifty is considered as the Benchmark Index
2. Price on BSE/ NSE is considered for all of the above calculations
3. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day (trading holiday), closing price on BSE/ NSE of the next trading day has been considered
4. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day there is no trade then the closing price of the next day when trading has taken place has been considered

**TABLE 2: SUMMARY STATEMENT OF DISCLOSURE**

Financial year	Total no. of IPOs	Total funds raised (Rs.Cr)	No. of IPOs trading at discount – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount – 180 <sup>th</sup> calendar day from listing			No. of IPOs trading at premium – 180 <sup>th</sup> calendar day from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
12-13	1	12.21	-	-	-	-	-	1	-	-	-	-	1	-
13-14	4	34.39	-		2	1		1	-	-	2	-	1	1
14-15	4	13.65	-	-	2	-	-	2	-	1	-	1	-	2
15-16	7	47.48	-	-	4	1	-	2	-	-	2	2	-	3
16-17	6*	37.94	-	1	1	2	-	2	-	2	1	1	1	-
17-18	12*	208.77	-	-	3	1	1	1	-	-	1	1	-	1

\*Following points to be noted:

- The fields left blank in Table 1 indicates that the shares of respective companies have not reached the consequent milestones.